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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 24

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 23, 1932 | 10c a Copy; $5.00 a Year | No. 4

The Nation's Business

Mr. Bennett in Toronto
Securities Embargo Abandoned
That Plan to Merge Prairie Provinces
U. S. Attitude on Reparations

Mr. Bennett's Toronto Speech

IN VIEW of some recent scurrilous whispering and open attack upon the integrity of Canadian banks and life insurance companies, the country as a whole will appreciate the plain-speaking of Prime Minister Bennett in his Toronto speech. He made it clear that all Canadian banks and life insurance companies were in sound condition. Because of federal inspection of all banks and all Dominion-licensed insurance companies, Mr. Bennett knows whereof he speaks. His reassuring note should put an end to whispering campaigns deliberately designed to weaken some of our greatest Canadian financial institutions.

The prime minister also nailed another allegation heard in widely-circulated whispers — namely the charge that the railway commission had been assembled to bring down a report supporting a pre-conceived plan. His denial was hardly necessary for intelligent people who appreciate the independence of the commission's members. Nevertheless it is worth while.

• • •

THE Toronto address of the prime minister was one of the most practical he has made since coming into office. The Financial Post has had occasion to comment upon the diffuseness and even the emptiness of many of the addresses Mr. Bennett has given recently, when he has discussed everything but the concrete functions of his government. On this occasion he came nearer to discussing national problems than he has come before. It is the duty of the prime minister to utilize his public addresses to discuss the nation's business intelligently and to report as fully as practical on government policies. Mr. Bennett has expected the public to support his policies without outlining them fully or discussing the reasons for their adoption. If this week's address can be taken as indicating a change of policy in this respect it can be regarded as significant.

It is to be noted that the prime minster made no reference to economy and efficiency in public affairs. His sole reference to public expenditures was a rather boastful comment on the $30,000,000 spent on unemployment relief. It is already obvious to business men that the unemployment relief programme was a wasteful, largely unproductive effort. The prime minister has yet to pledge himself in a public address to any important reduction in federal government costs.

* * *

Securities Embargo Partially Lifted

WHAT was interpreted by the financial community as a partial lifting of the securities embargo has been made effective by an announcement through the Canadian Bankers' Association that Premier Bennett considered the purposes of the embargo had already been served, that imports of securities had been reduced to a minimum and that as a remedial measure the embargo had been effective.

It is not a clearly worded document. Its tenor is that the embargo is lifted but bankers and brokers are expected still to use their influence with any Canadian not to export capital for the purchase of securities abroad. In other words, each citizen who desires to purchase a security obtainable outside Canada is expected to put on his own embargo and if he does not financial men are asked to dissuade him, if possible. As investment bankers and brokers have not felt that at any time this embargo was justified and as they have even urged that its operation has hurt their business without any corresponding benefit coming to Canada, the present statement is interpreted by them rather liberally.

* * *

AS far as it goes, however, the new announcement, evidencing a greater faith by the premier in the underlying strength of the Canadian situation, will tend to create a similar confidence both in Canadian and foreign investors in the securities issued in the Dominion. Too many have taken the action of a month ago as an advertisement that Dominion affairs were in a desperate case and that is far from being the case.

The Financial Post has urged the removal of the securities embargo ever since it was instituted on the following grounds:

First, it was needless, and therefore harmful to Canadian interests, in view of the fact that the exchange of securities in any case internationally favored Canada as soon as the United States dollar acquired a substantial premium in Canadian funds.

Second, it operated more against the United Kingdom than against any other country and tended to reduce confidence in Canada there when a movement to repatriate Canadian securities in Canada was held up;

Third, it was ineffective as bootlegging of securities immediately

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C. P. RESULTS BETTER THAN U. S. RAILWAYS

Operating Revenue Loss Below American Average

GROSS DOWN 20.9%

Covering of Charges Will Depend on Special Income — Speculate on Enquiry

From Our Own Correspondent

MONTREAL.—Operating income of the Canadian Pacific Railway registered a drop in 1931 of 20.9 per cent from that of the previous year; as yet results for the full 12 months have not been released. For the 11 months ended November 30 last net income was down 30.15 per cent compared with the corresponding period of 1930.

While this situation is not encouraging to shareholders of the company, examination of returns for the larger and better-known railways of the United States show that, generally speaking, the Canadian Pacific Railway has been able to maintain a better position than those lines to the south of the border.

Shrinkage is Marked

During the first 11 months of 1931, New York Central had an operating income of $354,971,000, or more than $89,000,000 less than in the same period of 1930. Southern Pacific had a decline of $55,000,000 to $147,907,000.

With hardly an exception the operating income of the American railways fell off sharply in 1931, and, in the majority of cases, the percentage decline was greater than that reported by the Canadian Pacific.

The changes which took place in operating income during the first 11 months of 1931, in comparison with the corresponding period of 1930, for some of the larger American roads follow:

Gross Operating Income
(in thousands)
January-November

	1931	1930
Atchison	$169,441	$210,386
B. & O.	147,907	192,882
C. P. R.	132,976	168,148
Ches. & Ohio	111,995	127,178
Del. & Hudson	28,597	35,043
Great Northern	72,327	98,717
Ill. Central	108,551	137,585
N. Y. Central	354,971	443,605
Pennsylvania	417,292	535,808
Southern Pacific	185,827	240,816
Union Pacific	144,194	175,893

Slower to Cut Expenses

Examination of the net operating income of these railways, after providing for rents, shows that operating costs have not been cut to the same extent as by the Canadian Pacific. The management of the latter company has reported a decline in net of around 30 per cent, but many of the American roads have had to show a loss of close to 50 per cent or more.

This is shown in the comparative figures for 1931 and 1930, covering the first 11 months, of the roads mentioned above:

Net Operating Income
(after rents—in thousands)
January-November

	1931	1930
Atchison	$30,504	$42,254
B. & O.	25,080	37,181
C. P. R.	24,087	34,484
Ches. & Ohio	33,635	37,757
Del. & Hudson	4,119	5,750
Great Northern	11,773	21,566
Ill. Central	10,317	20,795
N. Y. Central	27,512	54,236
Pennsylvania	48,137	88,505
South. Pacific	21,616	40,763
Union Pacific	21,932	32,840

Special Income Important

It is expected that the financial statement of the Canadian Pacific Railway for 1931 will show a sharp drop in earnings. The final result will depend very largely upon revenue received from operations outside of the railway proper.

In 1930 it will be remembered that special income provided a surprise for Canadian Pacific shareholders. It totalled $20,042,923 as compared with $15,232,220 in the previous year. The addition of this sum made possible through appropriating part of the undistributed surplus of the old Allan Steamship Co., enabled the company to cover all charges and dividends on the ordinary shares at the rate of 10 per cent, and leave a small surplus of $133,186.

Expect Smaller Revenue

The amount which will be received from special income in 1930 is somewhat problematical at present. Indications are that the amount will be lower due to the fact that the company has been faced with lower earnings from hotels, steamships, telegraphs and from interest and dividends on investments. It is not outside the realm of possibility that the company may again delve into reserves.

Charges Are Less

The financial position of the company, however, is strengthened by the fact that dividend disbursements in 1931 were considerably lower than those of the previous year. In 1930 dividends paid on ordinary shares totalled $33,242,907. In the past year payments comprised one quarterly distribution at the rate of 10 per cent per annum and three at the present rate of 5 per cent per annum, making for an approximate total of $20,937,500.

A partial offsetting item, however, is the likely increase in preferred dividends and fixed charges. The former arises from the issue of additional stock in connection with the formation of the Canadian Australasian Line Ltd. Additional

(Continued on page 2, col. 4)

B. C. Packers Betters Its Financial Position

B. C. Packers, it is understood, will show a strengthened financial position for the fiscal year ending February 29, 1932. By cutting down expenses materially as well as by making small pack in 1931 the company has been able to run a good percentage of its inventories into cash.

It is therefore hoped that the next annual statement will show bank loans reduced and the company therefore in a happier position to enter on arrangements for the 1932 catch.

Last year it showed a net loss of $897,377 on operations and $1,266,038 after bond interest, taxes and depreciation. A much better showing is expected for the current year.

ROBERT MITCHELL SALES LAST YEAR HAD LARGE DROP

Low Metal Prices Add to Problems of Company

From Our Own Correspondent

MONTREAL.—Severe reduction in sales, lower commodity prices and a narrower margin of profit on turnover are expected to find reflection in earnings of Robert Mitchell Co. for 1931. No estimate of earnings has been made though it was understood dividends on the common stock had been covered up to September.

The financial statement, now in first stages of preparation, will reveal to what extent profits were affected last year. In 1930 the present dividend of $1 a share was earned twice over; valuation of inventories, now being undertaken, will doubtless play an important part in the showing made last year.

Develop New Lines

The outlook for increased sales is not immediately apparent. It is understood, however, that the management will concentrate on effecting further economies in operation while they are investigating certain new lines which may prove beneficial in the future.

In a letter to shareholders, Allan A. Mitchell, president of the company, states that the balance sheet of Robert Mitchell Co. should prove satisfactory when presented. At the end of 1930 the statement showed inventories at $397,371 down from $670,891 in the previous year; no bank loans and a working capital of $749,250 compared with $1,051,925 at the end of 1929.

Has Diversified Output

The company is engaged in the production of architectural iron and bronze, hardware, castings, railway car bearings and acid resisting bronze for the pulp and paper and mining industries. Through a contract department, orders are executed for the complete installation of plumbing, heating and ventilating equipment.

Capital structure comprises 70,000 shares of no par value stock on which dividends have been paid at the rate of $1 annually since October, 1929.

McColl Profit To Year End On Good Basis

From Our Own Correspondent

MONTREAL.—Net earnings of McColl-Frontenac Oil Company for the 11 months of the current fiscal year ended December 31 last were over three times bond interest requirements for that period. The company's year ends this month and expectations are that the final figures will make a showing comparing favorably with those reported for 1930-1931, in which year bond interest was earned 3.76 times after depreciation and bank interest. It is understood that the management is making more liberal provisions for depreciation than heretofore.

Warm Weather Helps

Sales have been appreciably helped in the past few weeks owing to the open winter. The lack of snow has enabled the more extensive use of motor cars in the territory served by the company and current sales are said to be on a satisfactory basis compared with those reported at this time last year.

In addition to a satisfactory position from the point of view of sales and income, the balance sheet position of the company is likely to show improvement. During the year the company had been successful in buying in the balance of the Frontenac Oil Refineries bonds, amounting to around $10,100. The balance of this issue, $989,400, has been put up as collateral for the parent company's own bond issue.

Manitoba Uses Native Wood

The forestry committee of the Industrial Development Board of Manitoba report that thousands of power-line poles in Manitoba, of imported wood, may soon be replaced by poles of native Manitoba jackpine. The wearing qualities of the jackpine, when treated for the purpose are said to equal those of imported poles. The use of Manitoba jackpine would mean employment for many men in the woods. This committee also reports that cut-over lands in Manitoba are showing exceptionally rapid new growth.

MONT. POWER 1931 REVENUE SETS RECORD

Annual Report for Past Year Will Show Progress

OVER $2 ON COMMON

Additional Capital from Stock Rights Will Show Up in Balance Sheet Position

From Our Own Correspondent

MONTREAL. — Financial statement of Montreal Light, Heat and Power Cons. for 1931 will likely show earnings of between $2.15 and $2.20 per share on common stock or virtually the same in 1930, when the company reported $2.19 a share.

This means more than a maintenance of earnings as consideration must be given to the increase in stock outstanding from 4,083,674 shares to 4,492,042 shares.

Record Gross Income

Expectations are that gross earnings will establish a new high record in the history of the company, probably exceeding the $25,000,000 mark. This compares with the previous high level of $23,484,080 established in 1930. The income account for 1931 will undoubtedly show the usual charge for depreciation, namely, 10 per cent of gross earnings. Appropriation for bond interest and dividends will be larger than in 1930, but notwithstanding the company will be able to carry forward a substantial sum to surplus.

Assets Are Higher

The balance sheet position of the company as at the end of December last will reflect the receipt of additional capital raised through the issuance of stock rights to shareholders. At the close of business, 1930, the company had total assets of $132,322,572.

Though no details are available at the moment, the balance sheet for 1931 should show total assets in excess of $155,000,000, which figure would include subscriptions received in partial payment of stock sold to customers.

As is usually the case with Montreal Power, the balance sheet for 1931 is expected to show a high degree of liquidity, together with a strong working capital position.

Record Good Progress

Generally speaking, Montreal Power made substantial progress during the past year. A fair proportion of the new money received by the company was spent in adding to plant facilities. The principal item of outlay was the new gas holder at Hochelaga. Large sums of money were spent on additional high-pressure gas mains, new substantial, transmission lines, etc.

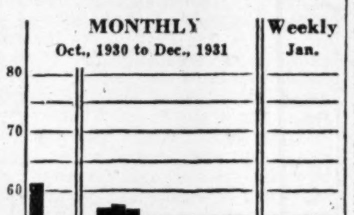
The management continued active in extending the territory of operations. Over the last three years it has been successful in purchasing the distribution facilities of a number of the municipalities on the Island of Montreal, as well as on the South Shore of the St. Lawrence. In the last two years it has purchased eighteen of these systems and now sells its services, either retail or wholesale, to every municipality on the island.

The forthcoming annual statement is expected to deal with, among other things, the creation of the new issue of debentures. It will be recalled that the company on its own initiative offered customer stockholders the option of taking their stock or a convertible debenture upon completion of payments next July. To that end the shareholders approved the creation of an issue of $30,000,000 3 per cent convertible debentures. The debentures are convertible at any time into common stock on a basis of 1 share for each $50 of debentures.

Along the same lines the funded debt position of the company has been improved, though it will not be altogether apparent from the 1931 statement. Last year, through the operation of a sinking fund, Montreal Power redeemed in the neighborhood of $500,000 of bonds. On January 1 this year the company retired $6,326,000

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Jan. 19	35.0	33.7
Week of Jan. 12	35.1	33.2
Month of Jan., 1931	54.4	48.8
8 Bank Stocks		
Week of Jan. 19	210	210
Week of Jan. 12	211	211
Month of Jan., 1931	247	239
10 Public Utilities		
Week of Jan. 19	57	56
Week of Jan. 12	57	55
Month of Jan., 1931	82	77

Dufferin Paving Earns Dividends

Dufferin Paving & Crushed Stone Ltd. closed its fiscal year on December 31 with first and second preferred dividends earned and some to spare for the common stock. The annual statement will not appear for some time but it is expected to show the company in a relatively strong position.

In 1930 the company increased surplus by $21,346 after earning $12.38 per share on the 18,586 shares of $100 par value first preferred stock outstanding and $7.71 per share on the 12,500 shares of six per cent second preferred stock outstanding. Dividends on both classes of preferred stock have been paid regularly to date.

WABASSO CO. PROFITS HOLD FOR HALF YEAR

Plants Operate at 80 Per Cent of Capacity

From Our Own Correspondent

MONTREAL.—Activities of Wabasso Cotton Co. in the first half of its current fiscal year were well maintained and earnings compared favorably with those of the same period in the previous year. The company, one of the four large concerns in the Canadian cotton industry completed its half year on December 31, 1931.

At the present time operations are being conducted at about 80 per cent of capacity. There is a good demand for the company's products, it is stated, but while volume of output can be considered satisfactory, prices remain at levels which allow but a narrow margin of profit.

Reflects Low Stocks

The encouraging rate of plant activity is in line with that being experienced by other cotton manufacturers. Most of the mills are busier than they have been for some time past indicating that dealers, who have kept their stocks at a low point, have been forced into the market by consumer demand. Wabasso Cotton has made progress recently and is gradually working its way out of the difficult situation which confronted it three years ago. In the fiscal year ended June 30, 1931, the company reported a surplus after all charges of $3,648 compared with a deficit of $52,360 in the previous year.

Outlook Still Clouded

That the company has been able to maintain its earning powers in the six months ended December 31, 1931, is encouraging though naturally it is yet too early to make any forecast regarding the ultimate results for the fiscal period. Competition has not been alleviated to any appreciable degree and the company's ability to move forward indicates the drastic changes effected in production and selling policies.

Actually a large part of Wabasso's output now comprises celanese weaves; the popularity of this type of goods has been an important part in the progress made. Formerly the company specialized in fine white cotton goods but in 1928 found its markets waning rapidly.

Dividends Were Omitted

Dividends on the common stock, which had been paid without interruption since 1919, were suspended and a deficit of $109,677 after senior charges was reported in the year ended June 30, 1929. In the succeeding year this deficit was reduced to $52,360 and a profit was shown after charges in the last fiscal period.

The gradual betterment in the company's position indicates the effects of the new policies which were placed in effect. White cottons were considerably reduced in the production schedule and in their place was substituted celanese and printed goods. A comprehensive sales campaign was instituted and a market for the new goods was established.

Want Better Prices

While it may take some years before Wabasso shares develop an earning power of appreciable proportion, any improvement in commodity prices will work in favor of the company. Raw cotton is still selling near its low price for all time, and this coupled with the price-cutting which exists in the textile industry must needs keep profits at a low level despite the fact that plant operations are maintained at a satisfactory peak.

Increased demand for cotton textile goods is one of the more encouraging features of the current situation. Not only are the Canadian mills feeling a keener demand for their output, a fact which has stimulated plant activities substantially, but a similar briskness has been noted in the United States. An improvement in prices, therefore, is a factor which manufacturers are eagerly looking forward to.

Lower Bonded Debt

Shares of Wabasso Cotton are outstanding to the extent of 69,903. Senior to these there are $1,344,500 of bonds of the company itself, while St. Maurice Valley Cotton Mills and Shawinigan Cotton Co., subsidiaries, have bonds totalling $2,766,300.

HOPE TO OPEN U. K. AS OUTLET FOR POTATOES

Federal Government Believes British Embargo Can be Lifted

AID TO MARITIMES

Lack of Market in U. S. A. This Year Turns Government Attention to Britain

From Our Own Correspondent

OTTAWA.—While the Federal government is not making rash predictions, every effort is being made to open the British market to the potatoes of the Maritime Provinces, and the prospects of success appear bright.

Ordinarily, the Martime provinces do not export potatoes to Great Britain. The United States' market normally is the all-important outlet for the surplus crop. This year, however, the market to the south is not sufficient, and, if obstacles could be overcome, a worth while trade to Great Britain would result.

Embargo is Obstacle

The obstacle is an embargo which Great Britain maintains against Canadian potatoes upon the ground that our product is infected with the Colorado beetle. This, of course, is true. The Colorado beetle is found in Canadian potatoes. On the other hand, however, Britain accepts potatoes from European countries where the beetle also abounds.

One great difficulty in the negotiations which have been proceeding between the Canadian and British governments is that Canada has an embargo against imports of British potatoes. This embargo is based upon the presence, in British potatoes, of black wart—an infectious and dangerous potato disease.

Would Spoil U. S. Market

No doubt if Canada would remove her embargo, Great Britain would do likewise. But Canada cannot do so without jeopardizing the essential export market to the south. The United States maintains an embargo upon all potatoes produced in countries where black wart is known. And if Canada allowed unrestricted entry to British potatoes, the United States at once would embargo Canadian potatoes.

Officials of the Federal Department of Agriculture state that the removal of the embargo against Great Britain would be a mere formality. It is not anticipated that there would be any movement even if trade was unrestricted. But the mere amending of our regulations would be sufficient to bring on an embargo against exports to the Republic. For that reason it is quite impossible to lift the embargo against Britain.

Officials En Route

Every effort is being made to bring all these facts to the attention of the British government. Arthur Gibson, Federal entomologist, and Hon. Lewis Smith, Minister of Agriculture for New Brunswick, have sailed for London to make direct representations. The case will be put to the British authorities in this way:

1. Canada cannot lift her embargo against Britain, although she would gladly do so, because it would imperil a vital market in the United States. And anyhow Britain would not export to Canada if there was no embargo.

2. True, the Colorado beetle is found in Canada, but Great Britain, obviously, is not afraid of this beetle because imports are accepted from European countries where it abounds. Why not place Canada on the same footing as these European countries, and allow Dominion growers to find a market in these times of adversity?

Definite word of results are expected at Ottawa within a fortnight.

Joins Crown Trust Board

From Our Own Correspondent

MONTREAL. — Percy R. Walters, director of the Imperial Tobacco Co. of Canada, has been elected a director of the Crown Trust Co. Mr. Walters is also a member of the executive committee of the Canadian International Investment Trust Ltd.

Power Corp. Earnings Exceed Prior Charges

From Our Own Correspondent

MONTREAL. — Interim financial statement of Power Corp. of Canada, covering operations during the six months of the current fiscal year ended December 31 last, is said to show net earnings, after all prior charges, sufficient to cover the debenture interest over three times. After the payment of interest, the balance of earnings would be equal to over 3½ times the dividend on the 6 per cent first preferred stock for the period. No details are to hand as to earnings available for the common stock.

Considerable interest attaches to the operations of Power Corp. of Canada, which, as one of the largest holding and operating companies, has a substantial stake in numerous utility enterprises in Canada and holds several millions of dollars worth of Canadian and American securities.

At the end of June, 1930, Power Corp. had advances to and common stocks of affiliated companies to the value of $17,094,418 and investments totalling $29,391,672, on which the market for depreciation at that time, after taking into consideration investment reserve, was $4,662,669 less than the book value shown by the balance sheet. The company is generally understood to have a heavy stake in the Winnipeg Electric group, whose securities have fallen in value, while its holding in other securities are likely to have followed the general downward trend in value.

Lower Coal Output For Dominion Steel

From Our Own Correspondent

MONTREAL. — Dominion Steel and Coal Corp.'s collieries produced around 3,875,000 long tons of coal during 1931. This compares with an output for the province of 4,406,000 tons and is equivalent to 88 per cent of the total. In the preceding year, Dominion Steel reported an output of 4,941,668 tons, or 88½ per cent of the total provincial output of 5,882,640 tons.

Records over the last fifteen years show the output of Dominion Steel's collieries in 1931 to be the lowest on record, though the relationship between the company's output and that for the province as a whole remains much the same.

WEST URGES WEIR TO DELAY CHANGE IN WHEAT GRADES

No Agreement Reached on Plan to Segregate Garnet

From Our Own Correspondent

WINNIPEG.—The question of a separate grading from Garnet wheat, and its exclusion from all Manitoba Northern grades, as it is now excluded from No. 1 Hard and No. 1 Northern is still unsettled. The Hon. Robert Weir, Minister of Agriculture, on his recent trip west, was exposed to a good deal of pressure to have the change delayed, although the government department actually responsible, that of Trade and Commerce, is understood to have been convinced by representations from the Board of Grain Commissioners that the change ought to be made.

Garnet wheat, because of its shorter growing season, has been responsible for extending the wheat belt of Western Canada to the north. It is a high-grade wheat, producing a strong flour with most of the characteristics of flour produced from Marquis wheat, but because of different physical characteristics is difficult to mill satisfactorily in a mixture with Marquis.

Flour Mills Reluctant

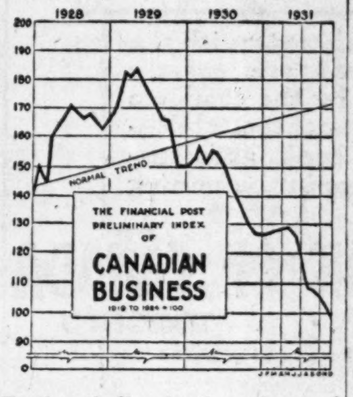
Canadian mills have shown a decided reluctance to purchase it, and while there has been less discrimination abroad, where wheats of different kinds are customarily milled together, although exposed to differing tempering processes before milling, it is felt that Canada would be furnishing a better product if she sent Garnet wheat abroad separately from other kinds. Since Garnet wheat began to be widely grown in the north, a substitute wheat, Reward, has become available, practically as short in the growing season, and of a type which mixes satisfactorily with Marquis.

Grading Garnet wheat separately will doubtless result in price discrimination against it, for even if it were of equal quality with the Manitoba Northern grades, it is unknown under that name, and it will be some time before a fully satisfactory market can be found for it.

Not the creation of such a market, but rather the substitution of Reward wheat for Garnet in the north is really the effect which is

(Continued on page 2, col. 4)

No Upturn Yet



Further decline in the volume of business in Canada during December was shown by The Financial Post preliminary index of business. For details see page 7.

IMPERIAL OIL 1931 EARNINGS COVER OUTLAY

After Paying 50c Dividends Something Will Go to Surplus

PETE VS. PERU

Large Acreage Held by Imperial's Subsidiary in Peru Established by International Agreement

Not only shareholders of International Petroleum but many shareholders of Imperial Oil, which depends for a large part of its 50 cents a share dividend on dividends paid it by International Petroleum, were alarmed at the cable in the morning papers of January 19 to the effect that the Peruvian Government will investigate the rights of International Petroleum to its oil-producing properties in Peru.

Settled at Paris

International Petroleum officials are not worrying over the situation. It has been a recurring one at intervals in its history. The title of International Petroleum to 411,329 acres of producing property at Negritos, Peru, is one of the oldest and best-established in the world. It goes back to the Incas. About nine years ago the then president differed with the company as to the exact boundaries of its property and the matter was settled by an international arbitration commission

The arbitration meetings were held at Paris in April, 1922, and therefore the company's property rights are confirmed by an international tribunal.

No Dealings With Leguia

The fact that opposition members from time to time bring up the question or rights of the company has not so far embarrassed the company as it is often simply a measure taken by the opposition to get a political advantage, if possible, over the Government.

"Any reference to arrangements effected with ex-president Leguia or his son with relation to loans in Peru are of no interest to International Petroleum," said A. M. McQueen, vice-president of International Petroleum, in commenting on recent dispatches. "These merely concern the Republic's borrowings in the United States in which International Petroleum naturally played no part."

Yearly report of Imperial Oil when it is given to shareholders at the annual meeting next May will show the company to have earned its 50 cent dividend with a good margin in 1931. The company will not come up to either the 99 cents earned in 1929 or the 72 cents a share earned in 1930, but dividends will continue.

Had Strenuous Year

Because of conditions in Western Canada, lower tourist traffic and economizing tendencies in use of cars in 1931 combined with a lower price for gasoline to correspond with changes made in the cost of crude oil, the company's earnings in the domestic field fall far short of dividend requirements. Foreign earnings in 1930 contributed 60 per cent of the dividends and in 1931 a goodly proportion as well. International Pete pays $1 a share which is a great help to Imperial.

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Quinze Power Development Seen as Logical Source For Beattie and New Eastern Areas

As the new gold properties in Northwestern Quebec assume new importance the question of electric power for their operation becomes vital.

At the present time four properties in this general area are operating—Noranda, Siscoe, Granada and Aldermac. Three of these—Noranda, Granada and Aldermac—secure their power from the Canada Northern Power Corp., Quinze development where there is an ample supply. Siscoe Gold Mines develops its own power from Diesel engines.

The Abana property, north of Dupuy, Desmeloizes township, received its power, prior to closing down, from the La Sarre Power Co., from its development on the La Sarre River. This is a small hydro-electric development whose supply would be entirely taken if Abana was operating. At the present time Mining Corp., owners of Abana, is keeping the power contract in force, thereby assuring power once operations are resumed.

Beattie Demand Large

The principal immediate concern for power centres about the development of the Beattie property in Duparquet township, northwest of Noranda. Here large scale operations will demand several thousand horsepower for the ultimate programme. The most logical source of power in the offing at the present time is from the 40,000 h.p. Quinze development of the Canada Northern Power Corp., by an extension of its lines from Noranda. Another potential source is from the La Sarre Power Co. While this latter company has not sufficient power of its own to make a bid for the probable requirements of Beattie, it is known to have made overtures to the Abitibi Power & Paper Co. to purchase power for distribution. Abitibi's closest transmission line is at Stimson on the Canadian National Railway, about 60 miles west of La Reine, Quebec, just over the Ontario boundary. Any transmission line would probably follow the railway to La Sarre, a distance of 75 miles, and then southward to the Duparquet township, or a total distance of approximately 100 miles. While this is a possible source of power, the extent of transmission line practically precludes its being considered at the present time. It is, therefore, evident that the probable source of power for Beattie's development will be an extension of the line from Noranda. Power terms are known to have been under discussion and it is reported that approximately $40 per h.p. per year is being asked—considerably in excess of that paid by Noranda. Since cheap power is a very vital factor to economic operations of the Beattie, negotiations are expected to be drawn out. The price of $40 per h.p., however, is lower than the average paid in the Kirkland Lake and Porcupine Mining areas.

Siscoe's Demands Increase

In the areas to the east of Noranda properties are developing to which power is a very vital factor. In Malartic township, 40 miles east of Noranda, is the Malartic Gold Mines, now inactive, which owns a substantial low grade deposit, and which given low power costs would assume new importance. Further west the Siscoe Gold Mines, on the boundary between Varsan and Dubuisson townships, could profitably use electric power for its operations. Plans are being considered for increasing the Siscoe mill and power becomes of increasing importance. From Siscoe to Noranda is a distance of approximately 55 miles. Further to the east in Pascalis and Louvicout townships several interesting gold prospects are under development and indications already point to a small mine in the making. From Noranda to this area is a distance of about 70 miles. Therefore, any transmission line to this district would serve Malartic and Siscoe or any intermediate developments. The cost of such a line, however, would be in the neighborhood of $500,000 and no property has reached the stage at the present time that would justify such an expenditure.

Another probable source of power is from a hydro-electric site on the Harricana River, North of Amos. This would involve a transmission line about 25 miles south to Malartic township and a further 30 miles east into the Pascalis-Louvicourt area. Furthermore, it would involve development of the site and, therefore, does not appear as a logical source of supply under existing conditions.

Noranda Mines has an undeveloped hydro-electric site on the Ottawa River in Darlens township, 40 miles southeast of Noranda. There is nothing to indicate that this site will be developed in the immediate future as Noranda has a long term and favorable contract with the Canada Northern Power Corp.

It will thus be seen that Northwestern Quebec has ample hydro-electric power available for its developments, given indications of profitable ore sufficient to warrant the construction of transmission lines.

WEST URGES WEIR TO DELAY CHANGES IN WHEAT GRADES

(Continued from page 1)

contemplated from the change, but while it is being accomplished a considerable amount of resentment on the part of farmers now growing Garnet wheat is anticipated.

When the separate grading goes into effect it will be necessary to provide a hedging market for Garnet on the Winnipeg Exchange. This will be done by making it deliverable on the futures options at a set spread under No. One northern, corresponding to what is now done with grades 2, 3 and 4. The spread in time will be adjusted to the actual price differentials found to be in effect.

Initially the spread will have to be made wide enough not to impair the value of the option, and so purchasers will not be in danger of having a kind of wheat thrust upon them which they do not want. Trading has already begun on the Winnipeg Exchange in the October option, and it would be contrary to sound practice to change the delivery rules after transactions have already been undertaken. But if the government finally decides to introduce the separate grading for Garnet wheat on the 1932 crop, the delivery rules for later options will be altered.

C. P. RESULTS BETTER THAN U. S. RAILWAYS

(Continued from page 1)

bonds and equipment trust certificates were issued in the last half of 1930, the full interest charges on which did not come into force until last year.

Cut About $12,000,000

It is estimated that the Canadian Pacific fixed charges, dividends, pension fund contribution, etc., amounted to approximately $45,000,000 in 1931. This compared with an outlay of $57,158,395 for 1930.

Whether or not the company was able to meet all its charges in 1931 from earnings depended largely upon the extent of special income. This will not be known until about the end of March, when the annual report makes its appearance.

Interest in Stock

There has been a fair volume of trading in the ordinary shares of the company over the past few weeks. At current levels of around 17, the stock shows an advance of nearly 5 points from the low of the year. The market gain is attributed more to the expectations of favorable developments resulting from the present investigation of railway transportation by the Royal Commission than from any material improvement in earning power.

It is anticipated that the commission's report, probably in preliminary form, will be made available during the next session of the Dominion Parliament. Various guesses are going the rounds as to what the commission will propose in order to lighten the burdens of the railways, such as doing away with duplicate lines, co-operative form of management for the two railways, etc.

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The Nation's Business

(Continued from Page One)

began and was difficult to prevent by the sort of embargo which was in force;

Fourth, it hurt the prestige of Canada and of Canadian securities.

One of the chief draw-backs to the original announcement of a securities embargo was that it was capable of many interpretations. In that respect it was unfair to investors as it was apparent that some transactions would be permitted and others would be prevented. Too many gained the idea that only those in touch with the inner councils of banks had an idea as to what would be allowed and what would not. Some of that vagueness still attaches to the new announcement but it is hoped that it will prove to be a virtual lifting of the embargo.

* * *

Minimum Prices Should Go at Once

THE Financial Post is glad to see that the Montreal Stock Exchange and the Montreal Curb have removed the minimum price (below which trading is not permitted) from several more securities. Each such move is a move toward restoring the stock exchanges to their real function as a market-place for the sale and purchase of securities, but the moves are too slow to suit the financial community. Numerous holders of important Canadian stocks have still a grievance against exchange authorities who by this device have robbed them of a market which can be relied on from day to day as a resource if they should need to liquidate.

The interests of the investor should be considered supreme, and exchanges, which hold to that principle by providing a free market, gain in prestige. There should not be a single stock in Canada today which has the artificial support of a minimum price. The sooner all artificial measures like securities, embargoes and the establishment of minimum prices go by the board the better it will be for most concerned.

* * *

Proposed Merger of West's Provinces

COMMERCIAL mergers are not always the way out of commercial difficulties. Nor is a political merger necessarily a cure for political difficulties, a reflection which is induced by proposals now seriously under discussion by the premiers of Manitoba, Saskatchewan and Alberta for union of those three provinces under a single legislature and a single provincial government. The proposals reached such an advanced state that in Regina it is taken for granted that that city would be the capital of the single province, and the sale of the legislative buildings of Manitoba to provide a new city hall for Winnipeg has been discussed.

The project, upon full examination may turn out to be both useful and feasible, but if carried out it will require a certain amount of time, and a great deal of effort in reconciling conflicting ideas and interests. Some of its hoped for economies would turn out to be illusory, and centralization might involve new methods of spending money as well as of saving it. In the meantime, discussion of it should not be allowed to interfere with the separate efforts toward economy which are possible in each of the three provinces concerned. The three separate governments, and the three separate legislatures can find full scope for their immediate energies, both in their own provinces and in co-operation with each other.

* * *

FOR example: a united province would have a single department of agriculture, and would do away with duplication of effort in agricultural experiment and agricultural education which is now conspicuous. There is nothing to prevent a good deal of accomplishment in that direction under existing conditions. Consolidation of higher educational effort in a single university has been suggested as one result of consolidation. If feasible, it can be carried out without the necessity for political union. It might be considered at once whether it is necessary to maintain separate professional schools for law and medicine, or if Alberta and Saskatchewan could not effect savings by sending their students in such subjects to Winnipeg. Manitoba in turn might do better to send its agricultural students to study at Saskatoon, instead of maintaining a very expensive separate establishment. Is it necessary for each province to maintain separate machinery for the incorporation of provincial companies, or cannot the machinery of the Dominion Companies Act be made to fill all useful purposes? Is separate provincial supervision of insurance companies a duty which really has to be undertaken with the Dominion Government equipped to give such service? Cannot the judicial establishments of the prairie provinces be reduced?

* * *

NOT until each province has done what it can separately to reduce the cost of government, not until the necessity of economy has been fully realized in each unit, not until each has carefully examined its separate adventures into public ownership and the effects of its various guarantees, can the full benefits of consolidation, if consolidation is to come about, be secured. Without such preliminary work the creation of a new government unit, the establishment of a new spending organization, of a new taxing authority, relieved of all sense of responsibility for past errors, would at least be the source of decided dangers.

But the project is at least an indication that very serious attention is being given to the question of governmental costs. And there are indications that something is being accomplished in this direction, such for example as the announcement just made that Alberta, instead of maintaining a separate provincial police, has arranged with the Dominion Government for the Dominion police force to resume its former work in that province.

Capacity to Pay vs. Ability to Receive

THERE are several ways of looking at the international debt situation. Gradually a tendency has been developing during several years to consider more than the letter of the bond, and instead of demanding performance regardless of possibilities and of consequences, to think of what is practicable, and of actual results. Lately a view has been crystallizing which is approximately as follows:

Germany cannot pay war reparations to the Allies. The Allies in consequence cannot meet their debts to the United States government. That government in turn cannot pay interest on its bonds issued to make loans to the Allies, from the expected source, but instead of repudiating payment to its own people will tax them more heavily instead. Formal recognition of the situation by the United States is desirable in order to regularize matters and to avoid the confusion and damage that may be the result of repudiation. If governments repudiate debts to governments, their next step may be to repudiate debts owed to private citizens of other countries, and that in turn might lead to repudiation of ordinary commercial debts. Now, cancellation or even repudiation of inter-governmental obligations is much less serious in its consequences than cancellation or repudiation of commercial debts. True, it may destroy inter-governmental credit, but there is nothing fatal about that. But cancellation or repudiation of commercial obligations means destruction to a greater or less degree of the ordinary credit on which the regular business of the world is carried on, and without which it cannot be carried on. President Hoover's moratorium of last summer was a partial recognition of the situation, but the attitude lately taken by the United States Congress seems to preclude further action by agreement. As a result, discussion of formal repudiations is now being openly and frankly carried on by the public in Great Britain, and it seems entirely likely that such discussion is under way in governmental and diplomatic circles.

* * *

NEARLY all of the recent discussion of the subject revolves around the question of Germany's ability to pay. But there is another way of looking at the question from which fruitful results might possibly emerge. That is the capacity of the United States to receive. The transfer of wealth involved or rather contemplated in the whole question of the inter-governmental debts is essentially from the people of Germany to the people of the United States. And the difficulty of carrying out the terms of the various debt settlements which have been agreed upon is quite as much a matter of getting payment into the United States as it is of getting it out of Germany. Instead of fresh international conferences to consider the capacity of Germany to pay, and for a division of the amounts that may be secured, there might well be such a conference to hear declared by the United States what that country desires to receive and how it is prepared to receive it, and for a division of payment among the various debtors of the United States.

The world as a whole is decidedly in debt to the United States at present, and part of the troubles of the international money markets is due to a competitive struggle among the different debtors to make payment. To a large extent the trouble has been not the reluctance or the inability of debtors to pay, but their eagerness and their insistence to pay. Governments of South America have struggled with governments of the allied countries, with governments of cities and provinces, and all of them with private traders for the privilege of discharging their debts, and as one country, one company or one individual has succeeded in discharging a debt in New York funds, it has meant that some other debt has had to remain undischarged. This is by no means a complete explanation, but it is a partial explanation on a large scale of what has been happening in the New York market. New York funds have gone to a premium in currencies of other countries because there has not been enough of them to go around. The price of securities has fallen as they have been hurled on to the market by holders all over the world in a desperate attempt to get New York funds with which to discharge debts.

* * *

WERE the international financial experts, instead of meeting in Europe to discuss the ability of Germany to pay, to meet in New York to discuss the receiving capacity of that money market, they might well arrive at an agreement that under immediate conditions it is impracticable for the Government of the United States to receive either principal or interest from its debtors abroad without so disturbing the exchanges as to interfere with the country's commerce. They might even go further, and discover that the interest and principal on foreign bonds, whether government, municipal or commercial, held by institutions or individuals in the United States, and payable in New York funds, is not currently receivable, and provision should be made for holding it abroad until foreign investment, foreign travel, or imports into the country increase.

Even Canada might take the initiative in requesting the United States government to undertake such an investigation.

A suggestion to the United States government for such an enquiry might properly be made by Canada, for Canada's efforts to make payments in the United States are a source, not only of great difficulties in this country, but of accentuated difficulties in the money markets to the south.

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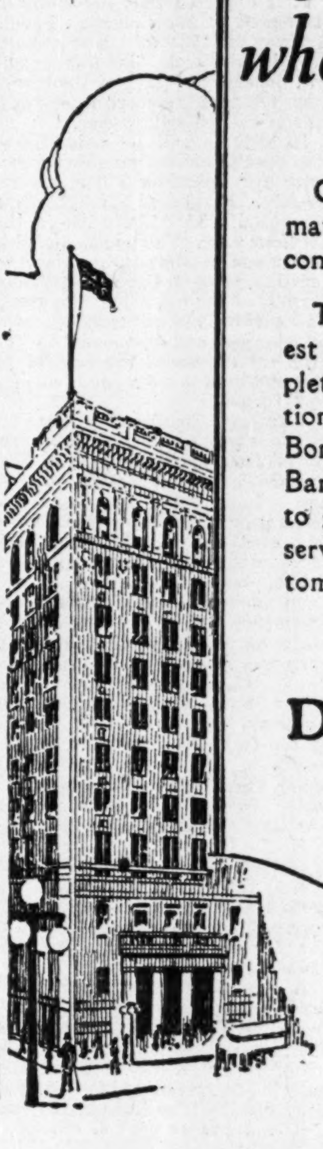

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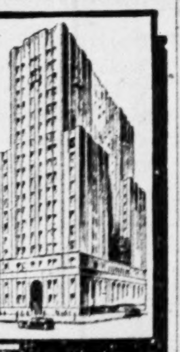

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Thirty-Three Committees Will Receive Applications for Loans

Dominion Agricultural Credit Company has already appointed 33 local committees through which its Regina headquarters will operate, according to recent information on this new farm credit body organized through the instrumentality of E. W. Beatty, president of the C. P. R.

Saskatchewan has taken the lead in the creation of these local bodies and of the 33 already formed, 20 are in that province ready to begin operation, while Manitoba has 8 and Alberta 5.

Receive Loan Applications

The duty of local committees is to receive and pass on all applications for loans, making recommendations to the head office in Regina. It is preferred that the committee consist of a banker, a representative business man, and a farmer, one of whom, usually the banker, acts as secretary, corresponding with the company in connection with the application and the details in regard to purchase of live stock. Live stock will be purchased by the company locally, if good quality can be secured, otherwise, it will be imported in carload lots, if sufficient applications are approved for a carload.

The working capital of the company subscribed to date is $3,500,000. When a farmer borrows the money from it to purchase his livestock the terms of repayment are made as easy as possible. In the case of cattle, 30 per cent of the amount borrowed is due October 1 after date of purchase, 30 per cent October 1 of the second year and 40 per cent due October 1 of the third year. Repayments on sheep loans fall due in the same percentages but the dates set are November 15.

On cattle purchased after July 1 the first payment is due one year from date. The first payment on sheep purchased after July 1st will be made due November 15 of the year following date of purchase.

Applications for Loans

The applicant for loan will give the company a conditional sale agreement on all animals sold and such additional security as may be required. All unpaid balances will draw interest at the rate of 6 per cent per annum.

In all sales of sheep the applicant will be required to give security on any other sheep held by him, thus reducing the difficulty of identifying the animals covered by the security Wool is to be included in the security and proceeds applied when sold.

The maximum amount that can be loaned to any individual farmer is $1,000 and the minimum amount is $200 for cattle and $150 for sheep.

In Saskatchewan the committees are located at Beechy, Broadview, Huntoon, Kelliher, Kipling, Kisbey, Melville, Morse, Neilburg, Outlook, Piapot, Prince Albert, Qu'Appelle, Scotsguard Sintaluta, Swift Current, Tompkins, Tisdale and Yorkton.

Manitoba committees have been organized at Belmont, Clanwilliam, Deloraine, Glenboro, Mather, Morris, Swan River and Souris.

Alberta points organized include Alliance, Innisfail, Leduc, Olds and Red Deer.

NAME LIQUIDATOR SIN-MAC LINES LTD.

Winding-up Order Issued on Request of Inter. Paints

From Our Own Correspondent

MONTREAL.—Upon petition of International Paints (Canada) a winding-up order has been issued by the courts against Sin Mac Lines Ltd., principal towing and barge company operating out of Montreal.

In support of the petition it was alleged that the Sin Mac Lines were unable to pay their debts as they become due and particularly an account of $1,932.25 for paints and oils and other materials furnished by the petitioners. The winding up order was granted from the Bench when the Sin Mac Lines failed to appear.

Default Bond Interest

The petition sets forth that the Sin Mac Lines, Limited, was incorporated in 1928 and that in the following year by a trust deed of hypothec and deed of trust and mortgage, the company mortgaged its property and charged all its property both present and future to secure an issue of first mortgage sinking fund gold bonds. On these bonds, it is claimed the interest and sinking fund payments due on October 1, 1931, were defaulted and have not since been paid.

With the default of interest and sinking fund payments, the petitioners continue, the security under the trust deed became enforceable and after due notice to that effect was given, the property was taken over by the Montreal Trust Company, in whose favor the trust deed was drawn. Since the bank account of the company was taken into possession with other properties, the Sin Mac Lines could no longer pay its debts, it is claimed. The petitioners therefore asked for a winding-up order and the appointment of George S. Currie as provisional liquidator.

Distillers-Corp. Action on Dividend Shortly

From Our Own Correspondent

MONTREAL.—Directors of Distillers Corp.-Seagrams will meet shortly to decide what action will be taken as regards the dividend on the capital stock, it is possible that there may be some reduction in the usual quarterly distribution of 25 cents a share payable February 16 in the light of remarks made by Samuel Bronfman, vice-president of the company, at the annual meeting of shareholders.

At that time he said that prices had been reduced to an extraordinary extent, as a result of competition in the export market and that the company's earnings were bound to be affected. Directors, he stated, would be guided in their policy as regards future dividends by trade conditions and results.

Marketwise, the shares of Distillers Corp.-Seagrams have appeared to discount the possibility of a dividend cut and are quoted around 6 on the Montreal Curb Market at which level they return a yield of over 17 per cent.

Common dividends at the annual rate of $1 a share were inaugurated in 1929. Earnings in the fiscal year ended July 31, 1931, were equal to $1.51 a share before taxes. The balance sheet showed special loans of $4,064,193.

Farm Loan Schemes Yet to Reveal Cost

Sixth in a Series of Articles Showing Some of the New Ways Our Governments Have Found to Spend Public Money

ITEM SIX: LOANS TO FARMERS

EVERY province in Canada, with a single exception, has in operation some state scheme for lending money to farmers. Probably no topic has aroused more debate in Canada over the term of the last fifteen years than the subject of farm loans and rural credits.

It has been charged that the banks have not lent freely enough for current purposes to farmers. It has been charged that the trust companies, loan companies, and other private mortgage lenders have not been sufficiently generous in the terms of their loans to agricultural producers. Likewise, the rigidity of the terms on which money is loaned by these two classes of financial institutions has come under fire. There has been a great demand for "intermediate credit facilities," for terms about half way between the short, self-liquidating loans desired by the banks and the five-year mortgages desired by the lending institutions. There has also been a demand for long term loans of twenty years or more that could be repaid on an amortization plan.

Is There a Shortage of Farm Credit?

There have been plenty of people loaning money to Canadian farmers, including insurance companies, trust companies, loan companies, private investors, implement companies, supply houses, merchants, banks, etc. But the demand has been for more and more credit; provinces have one by one entered into the field of farm loans to pile credit upon credit and let farmers borrow all the money they wanted. More than one agricultural leader in Canada has made the statement that credit has been the curse of Canadian agriculture, but their viewpoints have been in the minority and governments have found it difficult to resist the constant pressure from advanced economists and sociologists for easy credit, to be provided at the instance of the public and at the expense of the public, to those who own and operate farms. Yet, strangely, the governmental schemes have not increased the volume of mortgage funds available as we shall see later.

In this and a subsequent article, a brief survey will be made of some of the schemes for the loan of money to farmers in Canada under the auspices of the state. No attempt can be made to estimate in actual dollars and cents the present or potential losses of these schemes. If money is loaned for a twenty-year term, it may be twenty years before the lender knows whether he is going to get all of his principal and interest back. And so the losses of the various provincial lending schemes are in the future, to a considerable degree. Most of the losses that have been incurred today have been covered up by optimistic bookkeeping methods. A satisfactory financial analysis of farm lending in Canada cannot be made on the basis of any information published today. The provinces haven't yet gotten out of the political stage of farm lending.

Losses Run Into Many Millions

Nevertheless, we have ample evidence that a proper appraisal of results to date would reveal losses running into many millions of dollars. Saskatchewan, for example, continues to regard its farm lending scheme as a success and satisfies itself on that score by pigeon-holing an independent auditor's report which revealed two years ago that the apparent surplus of $500,000 in 12 years of operation was in reality a deficit of $2,500,000. Manitoba has already absorbed losses of $1,000,000 on its own system and admits the probability of at least $2,000,000 further loss. British Columbia's farm lending system never became very large; but it was expensive for the results obtained. Alberta never went into mortgage lending, but made various advances of a short term character, many of which have been liquidated without loss, and many of which have involved the province in heavy expense, which will no doubt be charged up to relief. Ontario's scheme is still young enough that the province does not even bother to bring out a financial statement or to estimate its bad loans as opposed to its good ones.

Then there is the Dominion Government scheme which is rapidly replacing the various provincial schemes and which is now in operation in six provinces. Here again, no adequate financial report has been presented and even if a financial report were available, it would not signify much because the loans that have been made have been outstanding for such a period that it is anybody's guess as to whether the majority of them are good or bad. Even this scheme is failing to win the unstinted praise of those whom it is designed to benefit. Quebec has already intimated unofficially that it may replace its participation in the federal scheme with some sort of provincial farm loan organization. In Alberta, there has been continual dissatisfaction because the federal board was willing to loan in the good areas where farmers had some prospect of repaying their loans and did not want to make loans in the areas where the farmers were flat broke. It is the old story that the man who most needs money has the poorest security to offer. Apparently, there has been some conflict on the federal farm loan board, one group in its affairs pressing for easier credit and more loans and another group striving to keep the loans to the absolute minimum.

Two Chief Objectives of Schemes

The different farm credit schemes were designed with various objectives but generally there was a desire to bring down the rate of interest charged by private lenders and to make a larger volume of credit available for the farmer.

Neither of these objectives has been attained. Private lenders have continued to charge about the same rates of interest as formerly. They have confined themselves to select risks. Many loaning institutions have gone entirely out of the farm mortgage field, particularly in western Canada, and with the growth of agriculture there has not come a commensurate increase in the volume of mortgage money offered by private interests. The amount of credit available to the farmer is less today than it would have been had there been no provincial rural credit schemes. It is impossible to obtain figures showing all the mortgages held for Canadian lending institutions. The annual reports do not permit segregation of eastern and western mortgages or farm and city mortgages. But a clue to the trend is furnished by the figures of the mortgage holdings of life insurance companies operating in Canada.

In 1921 these companies had $68,000,000 invested in farm mortgages in Canada. In 1930, they had $74,000,000 invested in farm mortgages in Canada. While these figures show a small increase it is a mere bagatelle compared with the tremendous growth in assets in life insurance companies. As in some years there is an increase and in other years there is a decrease in farm mortgages, it is approximately true that the life insurance companies have done no more than maintain their holdings of farm mortgages. They have hunted for new fields in which to invest their funds, and have shifted very largely from farm to city mortgages. In the same period the urban mortgages of the life companies grew from $76,000,000 to $343,000,000.

In Manitoba, for instance, the farm mortgages declined between 1921 and 1930 from $11,600,000 to $11,300,000 while urban mortgages increased from $14,800,000 to $36,700,000.

Less Credit Now For Farmers

Canadian life companies had one-seventh of their investments in farm mortgages in 1921. Had one-seventh of their investments been in farm mortgages in 1930 there would have been available to Canadian farmers $143,000,000 more money than the companies actually had invested in farm mortgages in 1930. Allowing for increase in assets of loan and trust companies and private lenders it will be seen how pronounced and how expensive to the farmers has been the virtual flight from farm mortgages. The diversion of funds that might otherwise have gone into farm mortgages has probably been not less than $200,000,000 in all. No doubt, factors beside the state lending schemes have influenced the trend away from agricultural loans but state lending has been an important cause. What volume of increased state credit have the farmers gotten for the approximately $200,000,000 they have lost? Taking the mortgage lending schemes (apart from short-term seed, implement and livestock loans) we find that Manitoba had outstanding at the last date for which figures are available about $6,000,000; British Columbia, $350,000; Saskatchewan, $12,000,000; Ontario, $29,500,000; the Dominion, $7,600,000; a total of $55,500,000.

These figures indicate very clearly that the farmers have lost much more by the state-lending schemes than they have gained. Their gains have been almost entirely in the lower rates of interest charged by the provincial schemes and in the greater solicitude that is shown to those who do not pay their interest and principal payments when due. The cost of this paternalism is being borne and will be borne generally by the tax-payers including the farmers themselves. That the cost will be large is obvious from the fact that the second important reason why private capital has been leaving the farm mortgage field is that the net return (after expenses and losses) on farm mortgages has been lower than the return on other classes of securities. If well-managed private companies could not make an adequate net return on their loans, Dominion and provincial schemes can hardly avoid loss on schemes operated at a nominal spread between borrowing and lending rates of around 1½ per cent.

The third important reason for the tendency away from farm lending bears only indirectly on the subject matter of these articles. It was the habit in many provinces of violating mortgage covenants by legislation.

These comments are general in nature, but in next week's issue there will appear a survey of the various provincial farm-lending schemes in Canada, with estimates where it has been possible to make them, of the present and potential losses.

Commercial Alcohols to Cut Capital Stock

From Our Own Correspondent

MONTREAL. — Shareholders of Commercial Alcohols Ltd. will vote January 27 on a proposal to reduce the stated value of the capital stock by 80 per cent. At present the 20,000 shares of no par value are carried at $500,000; if the plan goes into effect the stock will be carried at $100,000.

Approval of the plan, it is stated, will enable the company to reduce the valuation of certain assets to amounts more in keeping with their present actual values. This would not reduce the shareholders equity, it is pointed out, but would result in an annual saving in taxes.

Commercial Alcohols produces alcohol and manufactures magnesia carbonate insulating materials under certain patents for which it has the Canadian rights. No financial statement has been issued to the public though certain figures are available to shareholders at the company's office. Capital structure comprises $250,000 of 8 per cent preferred and 20,000 shares of common; no dividends are paid on either class of stock at present.

New Capital Issues Drop 25 p.c. in 1931

But Canada Raised 76 p.c. of Total Last Year as Against 59 p.c. in 1930, Says Business Year Book Estimate

By KENNETH W. TAYLOR, M.A.
Associate Professor of Political Economy, McMaster University
(An Analysis Prepared for The Financial Post Business Year Book, 1932)

New Canadian capital issues in 1931 totalled $509,053,000. This was 25 per cent below the previous year, and 46 per cent below the total for 1929. None of these totals include short term borrowings (one year or less), nor do they include refunding or conversion loans. Issues of investment trust securities are also excluded in order to avoid duplication.

They include, in the main, only issues publicly offered, or record of which appeared in current financial journals. In some cases considerable blocks of securities are sold privately, and no record is available until the next annual report of the borrowing corporation appears. Since this practice applies chiefly to the English market, the figures may considerably understate the sales of new Canadian securities in Great Britain.

Canadian Ratio Rises

The percentage sold in Canada in 1931 was 76.5 compared with 58.7 in 1930, and 58.4 in 1929. Sales in Great Britain were 1.1 per cent, a decrease from 3.2 per cent in 1930, and 8.6 in 1929. Sales in the United States were 22.4 per cent compared with 38.0 in 1930, and 32.6 in 1929. Sales in other countries were negligible.

Government and municipal borrowings in 1931 were very heavy twenty-five per cent above 1930, and sixty-four above 1929. These increases were due entirely to larger dominion and provincial borrowings. The record for the last three years is as follows:

Government and Municipal Borrowings, 1931
(000's omitted)

	Dominion	Provincial	Municipal
1931	$150,000	$114,000	$65,000
1930	100,000	82,000	82,000
1929	......	103,000	98,000

Industrial Issues Slump

Railroad issues were about the same as in 1930, but only half the total for 1929. All other groups were drastically lower. It is in these groups that we get the clearest picture of the severity of the current depression, and its effect on industrial expansion. New industrial issues, that is, the total less government and railroad issues, have been as follows: 1931—$59,000,000; 1930—$296,000,000; 1929—$490,000,000. Nearly all the issues classified under land and buildings in 1931 were for religious institutions, and not for commercial or residential buildings.

New capital in 1931 was raised almost exclusively through the sale of bonds. In 1929 over $400,000,000 was raised through stock issues and stock rights. In 1930 stock issues totalled $114,000,000, and in 1931 only $5,500,000.

CANADIAN CAPITAL ISSUES
(1) Totals by Groups, 1929-31
(Estimated by The Financial Post Business Year Book)

	1931	1930	1929
Government and municipal	$329,565,000	$264,847,000	$201,608,000
Railways	119,025,000	119,738,000	247,815,000
Public utilities	44,695,000	181,393,000	145,721,900
Pulp, paper and lumber	398,000	2,696,000	46,981,000
Mining	2,295,000	30,341,000	38,953,000
Metal Industries	......	21,077,000	35,778,000
Other Industries	2,859,000	14,518,000	118,837,000
Trading establishments	865,000	10,755,000	52,539,000
Financial institutions	......	14,146,000	30,218,000
Land and buildings	9,351,000	21,843,000	20,724,000
Total	$509,053,000	$681,354,000	$939,174,000
Per cent, 1931	100.0	......	......
1930	......	100.0	......
1929	......	......	100.0

(2) Where Canadian Capital Issues, 1931, were Sold

	Sold in		
	Canada	Great Britain	United States
Government and municipal	$264,093,000	$1,500,000	$63,972,000
Railways	80,925,000	4,100,000	34,000,000
Public utilities	29,480,000	......	15,215,000
Pulp, paper, and lumber	398,000	......	......
Mining	1,045,000	......	1,250,000
Metal industries	......	......	......
Other industries	2,859,000	......	......
Trading establishments	865,000	......	......
Financial institutions	......	......	......
Land and buildings	9,351,000	......	......
Total	$389,016,000	$5,600,000	$114,437,000
Per cent, 1931	76.5	1.1	22.4
1930	58.7	3.2	38.0
1929	58.4	8.6	32.6

EXPECT WOODS MFG. TO CUT INVENTORIES

Little Improvement Seen in Earnings for Last Year

From Our Own Correspondent

MONTREAL.—Reductions in inventories and bank loans are expected to be features of the balance sheet of Woods Manufacturing Co. at the end of 1931, the income account will likely reflect the difficult conditions which the company was called upon to face in the past year.

At December 31, 1930, inventories of the company were valued at $1,085,774 while bank loans totalled $225,000. The profit and loss account revealed an operating loss of $69,20 before depreciation or bond interest. After all deductions balance carried forward into 1931 was $71,859.

Dividends Are Omitted

Interest payments on the $778,000 of 6 per cent first mortgage bonds have been maintained. A special provision surrounding the issue is that net current assets of not less than 50 per cent of the amount of bonds outstanding will be maintained at all times. Working capital at the end of 1930 was $975,279.

Preferred dividends were passed in April 1931 representing the first interruption to regular payments since 1915. Nothing has been distributed on the common since 1923.

Woods Manufacturing shareholders will shortly pass on a proposal to cut the value placed against goodwill from $1,673,941 to $1 and to alter the status of the common shares from $100 to no par value. There is $1,710,600 of common outstanding.

CANADA BUD SALES INCREASED 24 P.C.

Totalled $2,089,940 in 1931 —May Show Share Earnings at $3.50

Sales of Canada Bud Breweries Ltd. showed an increase of $405,862 or 24 per cent during 1931 as compared with 1930, according to a letter forwarded to shareholders with dividend cheques payable January 15. On this basis sales in 1931, exclusive of sales of City Club Breweries Ltd., amounted to $2,089,940 as against $1,684,076 in 1930.

Sales in Ontario are stated to be continuing in satisfactory volume with a steady increase. A sales representative has recently been appointed for the British West Indies where some demand has arisen for the company's products. Demand from this source comes during the winter when local business is slack and will not necessitate any additional storage or handling facilities. Sales of City Club Breweries Ltd. are stated to be showing a satisfactory volume with December business 100 per cent greater than November volume.

It is understood that the company will issue 1931 figures of earnings within a few weeks and that earnings per share amounted to approximately $3.50. Earnings per share in 1930 amounted to $1.98 after write-offs. During 1931 the company issued an additional 24,000 shares of stock, bringing the number of shares outstanding to 150,000 shares of no par value. Current dividend is at the rate of $1 per year.

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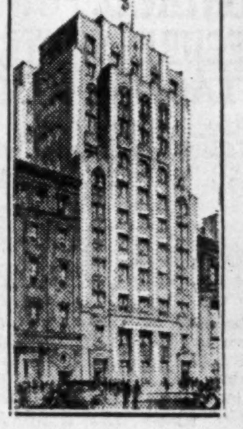

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Montreal Curb Market Remove More Minimums

From Our Own Correspondent

MONTREAL.—Announcement has been made by the Montreal Curb Market that the minimum prices have been removed on the following stocks: Paton Mfg. Co., Sarnia Bridge Co. "A" and "B" stock, and Montreal Island Power Co. The changes became effective on January 18th.

$
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La Qualite prime tout
SALADA
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Utilities and Transportation

CAN. NORTHERN POWER EARNINGS SHOW ADVANCE

Mining Activity in Area Served Adds to Power Load

From Our Own Correspondent

MONTREAL. — Net earnings of Canada Northern Power Corp. for the twelve months ended November 30 last, amounted to $2,269,457. Gross earnings during the period aggregated $3,329,277, while operating and maintenance expenses reached $1,059,819. During the preceding twelve months' period ended November 30, 1930, gross income totalled $3,152,685 and operating and maintenance expenses, $1,012,200, leaving net earnings of $2,140,485.

In discussing the general situation in the territories served by the company, B. V. Harrison, vice-president and general manager, had the following to say:

Period of Expansion

"Contrary to the general trend in business, the company has also enjoyed a period of expansion, not only in the amount of power utilized by the customers we already serve, but by the decision of mine operators to utilize electric power in areas which have not hitherto been served by our company.

"Prominent among these are the Mining Corporation of Canada, who are operating Ashley Gold Mines in the Matachewan district, to which property a right-of-way has been cleared, and construction work on a new transmission line is under way.

"Another property, the Granada Gold Mines, is now connected by a transmission line to our system, and will be using power as soon as the necessary equipment is installed.

"In the Porcupine area, the opening up of mining operations at the La Roche Mines has made necessary the construction of a transmission feeder to that property.

Add Gold Mine

"In the Kirkland Lake Camp Kirkland Townsite Gold Mines has been added to our list of customers and arrangements have been made to furnish power for the new pumping station of the municipality of the township of Teck, which has been provided for the purpose of increasing the supply of water for domestic use in Kirkland Lake and to ensure ample water for the Mines. This has necessitated the extension of our lines in the neighborhood of the property of Bidgood Consolidated Mines, Limited.

"There have been numerous additions to the equipment of the established mines, practically every operating property being engaged in installing improved facilities for handling or treating ore.

Sell Preferred Stock

"A successful customer ownership campaign, in which an offering of 5,000 preferred shares was over subscribed, was conducted during the month of October.

"There was also an appreciable increase in the volume of business done by our Merchandise Department, total sales for eleven months ending November 30, 1931, being $123,130.30, compared with $105,914.90 during the corresponding period last year, an increase of $17,215.40."

SHERBROOKE TRAM DECISION APPROVED

Commission Decides Against City Over Rights of Franchise

From Our Own Correspondent

MONTREAL. — Quebec Public Service Commission has granted formal permission to the Sherbrooke Railway and Power Co., subsidiary of Southern Canada Power Co., to suspend tramway and auto-bus services in Sherbrooke, as a result of an operating deficit of $22,000 for 1931.

The company's petition to suspend services met with opposition on the part of the City of Sherbrooke, which retaliated with a petition that the commission cancel the company's franchise for exclusive operation of street railway and auto-bus transportation in that city. This the commission refused to do acknowledging the exclusive jurisdiction of the Superior Court in that matter.

In its representations before the commission, the company produced evidence of an operating loss totalling $22,000 suffered in 1931 as a result of its transportation operations in the City of Sherbrooke.

Placed on record was the fact that the company had made the following proposals to the city of Sherbrooke, both of which were rejected: (1) That the company would continue operations during 1932, and the City of Sherbrooke would both furnish the electrical power necessary for the tramway services, and grant the company $20 daily or $7,300 for the year to cover operating deficit. (2) The company would loan its facilities to the City of Sherbrooke for operation but would retain its franchise rates.

In rejecting the proposal, the city pleaded that if the company sought to suspend operations as a result of an operating loss for which Sherbrooke was not responsible, the company broke its contract with the city, and automatically lost its charter rights for exclusive transportation operations in Sherbrooke. This the company denied. It had proven that it was unable to continue operations in Sherbrooke, without aid from the municipality and upon the city refusing to grant aid, it could suspend operations without losing its rights.

The commission ruled that the company, with an operating deficit, had a right to suspend services, but it could not cancel the company's franchise for the City of Sherbrooke because this was a matter only within the powers of the Superior Court.

Quebec Holds Lead In Power Industry

From Our Own Correspondent

MONTREAL.—Quebec had little trouble last year in maintaining its position as the province having the largest installation of water power in the Dominion. Four of the provinces reported no change. Of the others Quebec led with the largest increase, amounting to nearly 400,000 h.p., as will be seen in the following compilation:

Installation of January 1 in Horsepower

	1931	1932
P. E. I.	2,439	2,439
N. S.	114,224	111,999
N. B.	133,681	133,681
Que.	2,718,130	3,100,000
Ont.	2,088,055	2,145,205
Man.	311,925	390,925
Sask.	42,035	42,035
Alta.	70.532	70,532
B. C.	630,792	655,992
Yukon	13,199	13,199
Total	6,125,012	6,666,337

MONTREAL POWER SECURES CONTROL LACHINE SYSTEM

Eighteenth Municipality Added to List in Last Three Years

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat and Power Cons. officially took over the municipal electric system of Lachine on December 29, upon payment of a sum of $200,000.

Inclusion of the Lachine system becomes the 18th addition during the last three years to the municipalities whose citizens are served directly by Montreal Power. In that time the Montreal utility acquired systems serving the following municipalities: Lachine, Verdun, Baie d'Urfe, Beaconsfield, Greenfield Park, St. Lambert, Senneville, Pierrefonds, Riviere-des-Prairies, Ste. Genevieve, St. Vincent de Paul, Dollars des Ormeau, Dorval, Ile Bizard, Pointe Claire, St. Anne de Bellevue, St. Antoine de Longueuil.

Lachine citizens will obtain the electricity at the standard metropolitan rate of 3 cents per kw.h. as in Montreal and other localities served by the company. The former rate under municipal control was 4.95 cents net per kw.h.

Montreal Power has agreed to take over all existing contracts between citizens and the municipal electric system without inconvenience to the customers and without additional deposits from contract holders. It is also undertaken to employ the entire personnel of the municipal plant.

Amalgamation of the Lachine distribution system with that of Montreal Power will result in extensive alterations and additions to existing facilities which at present are inadequate. Duplication of poles and wires will gradually be eliminated, thus effecting a great improvement in the appearance of the streets in Lachine.

SOUTHERN CANADA SCORES ADVANCE IN NET EARNINGS

Conditions in Area Served Reported as Fairly Satisfactory

From Our Own Correspondent

MONTREAL. — Net earnings of Southern Canada Power Co. for the twelve months ended November 30, 1931, showed an increase over the preceding year. Gross income during the 1931 period amounted to $2,344,955, from which was deducted operating and maintenance expenses of $903,346, leaving a net of $1,441,609. In the fiscal year of 1930, gross revenue amounted to $2,283,751, and after the deduction of operating expenses there remained a net income of $1,399,849.

In the letter accompanying the distribution of the current quarterly dividend on the preferred stock, the management point out that industrial activity in the areas served by the company has been well maintained. Most of the industries are reasonably busy and some are increasing their staffs and adding new equipment.

Statement to Shareholders

The statement goes on to say:

"At Granby, Stark Brothers Corporation of New York, manufacturers of ribbons and other materials have established a Canadian manufacturing branch. Their plant has already gone into operation.

"At Farnham, the splendid new linoleum plant of Barry & Staines has gone into operation creating a permanent addition to the employment here besides doubling your company's load at this point.

"At Waterloo, another industry has been established: The Canada Silk Spool Company. This company is manufacturing silk winding spools and bobbins for other goods of this type used in the textile trade.

Merchandise Sales Hold

"The volume of merchandise sales throughout the whole of your 24 stores has been well maintained and this in spite of difficult times.

"At Granby, an additional street lighting installation of high intensity has been accepted by the city, thus two main streets in Granby are fully equipped with a most modern lighting system. The citizens of Granby deserve special mention for their true civic spirit. Already one of the best lighted cities served by your company, this installation will serve to further enhance its reputation for progress.

"Current conditions have not deterred your company from carrying out necessary improvements and all properties have been maintained in the best condition possible.

Add to Capacity

"The capacity of the Drummondville system, among others, has been increased to cope with increasing loads. Extensive improvements have been carried out in connection with the intake canal and wheel pits at the power plant which we purchased from the town of Farnham.

"For many years the street railway in Sherbrooke has been run at a loss to your company. We have carried it on in the hope that conditions would improve, but recently the losses each month became so heavy that we were obliged to notify our patrons that we could not continue the service after December 31, 1931. Before doing so we made every effort to arrive at some arrangement with the city so that the service could be maintained. We even offered to lend the system to the city free of charge. We regret the necessity of closing down, but it is necessary to relieve this company of the losses it has been taking for years in supplying a transportation system at less than cost."

Canada Northern Power Output Gains in October

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. reports an output in October last of 36,465,080 kw.h. This compares with 31,833,430 kw.h. for the same month in 1930.

For the twelve months ended October 31, 1931, cumulative output of electrical energy was 411,580,500 kw.h. as against 359,398,240 kw.h. in the preceding twelve months.

Sir Charles Gordon Joins Montreal Power Board

From Our Own Correspondent

MONTREAL.—Sir Charles Gordon, president of the Bank of Montreal, has been elected a director of Montreal Light, Heat and Power Cons., succeeding Sir H. Montagu Allan, who has resigned after many years' service.

Public Utility Earnings

Southern Canada Power

December:	1931 $	1930 $	Decr. $
Gross	205,443	215,102	9,659
Expenses	72,908	74,124	1,216
Net	132,535	140,978	8,443
3 Months:			
Gross	600,572	620,384	19,812
Expenses	222,479	230,701	8,222
Net	378,093	389,683	11,590

Canada Northern Power

12 Mos. end. Nov. 30:	1931 $	1930 $
Gross earnings	3,329,277	3,152,686
Oper. & maint.	1,059,819	1,012,201
Net earnings	2,269,458	2,140,485

B. C. Power

Nov.:	1931 $	1930 $	Decr. $
Gross earn.	1,173,628	1,239,683	66,055
Oper. exp.	733,708	772,175	38,467
Net earn.	439,920	467,508	27,588
Gross, 1st July to 30th Nov.	5,685,407	6,085,721	400,314
Net, 1st July to 30th Nov.	1,887,346	2,174,815	287,469

Canadian Western Natural Gas

	1930 $	1931 $	Decr. $
January	362,736	262,102	100,634
February	281,453	226,842	54,611
March	237,024	232,102	4,922
April	177,978	214,889	*36,911
May	127,595	124,260	3,835
June	93,872	84,419	9,453
July	63,314	67,405	*4,091
August	55,387	59,367	*3,980
September	76,610	80,883	*4,273
October	158,095	121,074	37,021
November	216,250	204,925	11,325
Aggregate from 1st Jan. to 30th Nov.	1,850,314	1,678,268	172,046

*Increase.

East Kootenay Power

Nov.:	1931 $	1930 $	Incr. $
Gross earn.	37,072	44,423	*7,351
Oper. expense	13,780	13,230	550
Net earn.	23,292	31,193	*7,901
8 mos. ended Nov. 30:			
Gross earn.	325,564	361,550	*35,986
Oper. expense	114,183	112,741	1,442
Net earn.	211,381	248,809	*37,428

*Decrease.

Udder Dries on Ottawa Cow

Editorial in Fort William Times-Journal

It is high time that a halt was called upon the process of milking the Dominion treasury, under the guise of subventions and other forms of assistance to projects that are absolutely uneconomic.

The latest effort to extract money from a government, that is all too hard pressed by the general financial stringency, is the proposal to force the railways to carry Alberta coal to Ontario points at $5 per ton.

In characteristic Western manner this is being boosted by the formation of a "ship-by-rail" association.

This slogan naturally arouses some suspicion, due to the memories of the old "on-to-the-Bay" slogan, which resulted in the milking of the Dominion treasury, not only for the building of the railway to Hudson's Bay, which might be excusable, but for the provision of every facility, including a magnificent elevator at Churchill, in which storage, absolutely free of cost, is being offered in vain to grain dealers, pools and "on-to--the-Bay" enthusiasts.

The provincial and then the Dominion governments have been jockeyed into the loss of millions of dollars to save bankrupt pools, and the wheat farmers who grew crops in 1931 have also their hands up to the elbow in the money-bags of Canada, getting a five-cent bonus per bushel, which will probably cost another five-cents to administer.

In their evidence at the hearing before the railway commission, the railway freight experts stated that the average rate for the coal movement was $12.85, which did not cover the cost of moving the coal in every case, the actual expense being placed by the Canadian Pacific traffic men at $13.46, and by the Canadian National, $15.03 per ton.

In squandering money in a costly effort to make water run uphill and to shatter all economic principles, the government, in granting these subventions, is wrecking business, ruining those who have built up trade on a sound basis, and injuring hundreds of workers who are put out of employment when business becomes disrupted.

The "ship-by-rail" outfit is only another one of the horde that have their fingers crooked to drain more from the already drying udder of the Ottawa cow.

In the Mail

An Optimist on the P.G.E.

Editor, The Financial Post,

The Vancouver Star of this date quotes you in your bold statement of figures relative to what is termed a "white elephant," to wit, the Pacific Great Eastern Railway in British Columbia. It is at once a very fair and very unfair statement.

What proved to be a very costly mistake was the government of the day relieving the contractors of their obligations to complete the line. This resulted in the P.G.E. being made a political football.

We pass on to what constitutes the very unfair part of your statement. You entirely ignore the possibilities or write in woeful ignorance of same. From today's Vancouver Star of same issue we quote, in part, a letter: "I know Canada from Vancouver Island to Prince Edward Island. I am satisfied no province has the advantages that British Columbia has. We have all the resources required to make it the most prosperous province in Canada."

My own opinion, as expressed more than once, is that British Columbia is easily the pick of the basket when compared with all the other provinces in the Dominion of Canada.

Old Country interests have been interested in the land and as some 20 million acres of land go with construction of the line and extension into Peace River you can see the proposition is not the hopeless one you depict. Indeed, it is anything but that. The potentialities are too numerous to detail.

The British Columbia Government must take a loss and they are prepared to do so to a more or less extent. Where you err egregiously is in telling only one side of the story. Nor can I accept the excuse that you were only dealing with finance. British Columbia needs filling up with a good class of British settlers to the tune of millions.

Vancouver, "Old Country."
Jan. 7, 1932.

Wants Beauharnois Probe to Go On

Editor, The Financial Post,

Turning over my Beauharnois file I come across a cutting from The Financial Post referring to "the lid, now clamped so tightly upon the whole Beauharnois episode," etc. Politicians cannot play fast and loose with public resentment; the investigation did not go far enough; too many politicians and business men have been shielded," etc. May I suggest that now that the Parliamentary session is approaching it is time to poke up the fire, and get the draught through the smouldering embers; they are still smouldering and are apt to make a conflagration if not properly directed.

"The British worker would not enjoy the Soviet system, and unless driven to it in desperation by some more than unusually fantastic bedevilment conjured up by the magicians, he will not go in for it. But let the wizards take care; they have blundered Europe to the brink of Sovietism, and if they do not better learn to control their magic, it will go.

"With what we see of capitalist economy before our eyes, and with what we can foresee of the consequences of further bungling, there is a lot to be said for Sovietism; and it will be said and listened to. Either that or we shall relapse from industrialism. . . . . If finance cannot do its job we may have to choose between Moscow and the desert." These quotations are from "Industrial Relations," Cambridge University Press, lecture by Prof. John Hilton, prof. of industrial relations.

These things are not being said only in university halls; since the Beauharnois affair they are the every-day talk of the business man, the small capitalist. Beauharnois will not down, and the sooner it is opened wide the healthier this country will be. There is an insistent demand that the money or the stock be put back. How can it be brought about before there is trouble?

—E. R. Bingham.
Victoria, B.C., Jan. 12, 1932.

Defends Nova Scotia

Editor, The Financial Post.

You do well to criticise unwise government expenditures. No doubt the federal and provincial Governments should reduce existing and proposed expenditures. In some of the recent editions of The Financial Post, notably that of December 26, you argue from premises that cannot be established, as far as the Province of Nova Scotia is concerned.

There are no provincially-owned or operated railways in this province.

There are no permanently paved roads outside the cities and towns, and not many miles of permanent pavement even inside the town limits. Our best provincial roads are gravelled, and demands made upon them are forcing their extension.

As far as secondary education in our public schools is concerned, let me say that there is not one Technical High School in the whole of Nova Scotia. The only High School building in Halifax, the largest city in the province, is over fifty years old and quite inadequate for the demands made upon it. Part of the high school work in Halifax is being done in buildings that have long since survived their efficient use, and in some cases structures had been condemned by the building inspector until considerable repairs were made. It is unfortunately true that secondary education has not been materially advanced in the last twenty years in this province as it has in other provinces. We should be spending more money, not less in educating our teen-age youth here.

These statements can be substantiated, and I think must indicate to you that your arguments as regards reduction in government expenditure, so far do not apply to this province.

Where the federal government has wasted money, and is still wasting money is in such things as the railway systems of Canada. This is now being investigated by the Royal Commission, which held sessions in the Maritimes this week, when our cases were presented. The canal systems of Central Canada call for an undue expenditure. The Welland Ship Canal should not have been constructed when it was, and the enormous expense entailed thereby is borne by the people of all Canada, and when the expenditure of over $130,000,000 was made, the canal was open without toll to all who wanted to use it, were they Canadian or U.S. shippers.

It is now proposed to still further extend the St. Lawrence Waterways by the immediate development of the International Section, which cannot be done except by a large expenditure on the part of all Canada. Undoubtedly the canals in that section will be free to all comers, as are the other sections of the waterways. This will add to the taxes of Canadians, from coast to coast, and there is no present need for this additional burden, yet the Ontario papers, almost without exception, are supporting vigorously the immediate undertaking of this expensive development. Why does not The Financial Post oppose increased taxation in this respect?

It is known that at Ottawa there is a large staff of clerks in various departments (not all) that are not needed. Some of them are paid fair clerical salaries for doing the work that is ordinarily done by an office boy, and generally their numbers are increased, not decreased. No federal government seems to dare deal with this situation in courageous fashion. In that respect they are like too many newspapers—afraid of their constituencies.

The Financial Post is a good paper; well read, very well edited, but sometimes it is open to the criticisms mentioned in this letter, which you are at liberty to publish.

Halifax, Nova Scotia.
Jan. 13, 1932.

As Others See Us

Must Use Railways

Regina Star: It is becoming almost a commonplace now to point out that one of the greatest obstacles the railways of Canada have to contend against is the bus and truck traffic on the highways. It is admitted that to this is due much of the decrease in the revenue of the two systems, and that unless some remedial measures are taken the drop will inevitably continue.

During the recent sittings of the Board of Transportation Inquiry the question was frequently raised and suggestions offered for a remedy for present difficulties. It will remain, however, for the Board to make its own recommendations, for it is confidently believed this aspect of the railway problem is being given its full consideration.

The Financial Post, in its current issue, points out that already the railways have made efforts to reduce their operating expenses by cutting off some of the services which have been the less remunerative. The people cannot eat the cake and have it. If they want the full services of the lines they must use them, and if they do not they cannot complain if services are eliminated.

Excessive Competition

Edmonton Journal: Even The Financial Post, which is probably more critical of the C.N.R. and of government ownership than any other publication in the country, denied explicitly in its last issue a charge that it was supporting amalgamation. It declared that it felt "in a general sense that competition in the railway service in Canada is essential." It went on to protest, however, that competition should not take the form of "the reckless race for vantage points that has characterized C.P.R. and C.N.R. relations in recent years." With this view there can be few who will disagree. The country needs the two systems but it is imperative that they co-operate much more fully and that an end be put to the wasteful rivalries that have weakened them both.

Escape from Depression

Fundy Fisherman, Saint John, N.B.: In exploring the different avenues which might lead to better times, it is obvious that we are not going to be relieved from our present depressed condition by adding to our debts; in fact, increases in our debts will further aggravate a precarious situation. We fully agree with the campaign that is being carried on by that most outstanding newspaper, The Financial Post, of Toronto, which is endeavoring to arouse public opinion to the absolute necessity of bringing pressure to bear on our different governments that, instead of increasing our debts and further unnecessarily increasing our taxes, government expenditures should be cut down substantially, and that exhaustive efforts be put forth to apply the strictest economy to the operations of all governments, federal, provincial and municipal. We believe The Financial Post is carrying out a great work in moulding the public mind toward this end; in fact, we believe public opinion is already strongly with the Post.

Reductions in Taxation

Brantford Expositor: The series of splendid articles published by The Financial Post, and reproduced in the columns of The Expositor, must have aroused keen interest in the subject of governmental expenditures, federal, provincial and municipal. These articles have been fair and reasonable in their tone and, consequently, have exerted great influence with thoughtful people. There is no doubt that the Federal Government at Ottawa is confronted with a tremendous task in meeting the fixed obligations which devolve upon it, and which cannot be substantially decreased, even by expert financing. These are largely the result of the gigantic expenditures made in the Great War, and for the promotion of railway enterprises throughout the Dominion.

At the same time it is asserted that business administration at Ottawa, unfettered by politics, could substantially reduce controllable expenditures. Dr. Grant, principal of Upper Canada College, in a series of articles published some time ago, demonstrated without any successful contradiction that a radical reorganization of the civil service would result both in a saving of at least $25,000,000, and a more efficient service. Other critics declare that probably $100,000,000 a year could be cut off federal expenditures of various kinds.

It is probably true, however, that greater opportunities for reducing the cost of government are found in the provincial and municipal fields. These latter expenditures touch the people very closely. Since the provincial governments resort to direct taxation of so many kinds, providing for extensive social services, they affect the taxpayers just as directly as municipal levies. If such trenchant articles as those in The Financial Post do not arouse the people of the country to insist on policies of retrenchment on the part of all governing bodies, it is difficult to know what will. There is need in governmental circles everywhere for thorough business methods and, if these were practised as rigorously in the public services as in private enterprises, the people of Canada would be saved many millions of dollars in taxation.

Chamber Meets in Halifax

The seventh annual convention of the Canadian Chamber of Commerce will be held in Halifax during September, preceded by a tour through the Maritime Provinces covering the principal industrial, agricultural, mining and fishing centres

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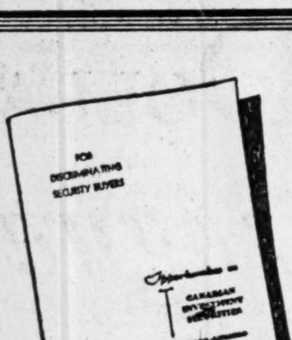

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The Story of 1931

The results achieved by The Imperial Life Assurance Company of Canada in 1931 will be very gratifying to policyholders and others interested in the Company's progress:

	1921	1931
Assurances in Force	$128,968,720.00	301,467,126.00
Assurances Issued and Revived	23,980,734.00	31,654,702.00
Total Assets	22,079,986.37	66,147,752.66
Policy and Annuity Reserves	18,511,054.29	56,909,029.00
Premium and Interest Income	5,488,583.72	13,920,360.45
Payments to Policyholders	1,605,610.18	7,637,747.63

The millions of dollars of Reserves held by The Imperial Life are calculated on so strong a basis that interest earnings of only 3% are sufficient to maintain them. The difference between this 3% and the 5.82% actually earned gives an exceptionally wide margin for policyholders' profits and security.

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Copy of Complete Report for 1931 mailed on request

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News of Investment Markets

MONTREAL BONDS OFFERED AT PAR YIELD 6 PER CENT

Public Demand is Good — Short Term Maturities Over-Subscribed

The second step in the process of orderly marketing of Canadian government and municipal bonds was taken this week with the offering of $15,226,000 of bonds of the City of Montreal. The issue bears a 6 per cent coupon and is offered at par to yield small investors 6 per cent while price concessions on large blocks give institutional investors a slightly higher return. Attractively priced, the issue was reported to be half sold by January 20, while the $3,770,000 of short term bonds, due December 15, 1935, is over-subscribed. The remaining $11,456,000 of the issue is due December 15, 1941.

The subscription books for the New Brunswick issue of $5,062,000 5½ per cent 20-year bonds offered at 5.75 per cent yield basis on January 6 were closed on January 19. The issue is regarded as having been well placed and no large blocks of bonds are expected to come back on the market. Sale of the bonds progressed somewhat slowly but this was expected and results are regarded as being satisfactory.

As in the case of the New Brunswick's, sale of the Montreal issue is being handled by a large selling group which includes a large number of Montreal investment houses. The bonds are payable in Canada only and the issue is one of the largest municipal issues to be sold internally for some time. No concessions have been made to small investors in reducing the size of denominations which remain as usual at $1,000 and $500. The yield to be secured is near the peak for the present century and even if some additional weakness should develop in municipal bond prices it is generally believed that there will be no great deviation from the six per cent level. It is understood that the present issue will serve Montreal's need for financing for some time, possibly for 1932.

Ontarios Come Next

The next important item of financing is expected to be an issue of Ontario bonds which will not be offered until the Montreal bonds are placed. The province needs $40,000,000 but will probably ask for $20,000,000 or $25,000,000 at the present time. Temporary financing has been secured to carry the province over for several weeks, it is understood, but an issue of some $20,000,000 of short term treasury bills comes due during February and are payable in New York funds. The coming issue is expected to carry a 5½ per cent coupon rate and dependent upon market conditions will probably be issued at a price to yield 5.75 to 5.90 per cent. This is in decided contrast to the last Ontario issue sold in June, 1931, which bore a four per cent coupon rate and was offered to yield from 4¼ to 4.35 per cent, depending on maturity.

Many investors have been deferring commitments, in anticipation of the Ontario offering, but the price placed on the Montreal issue may be expected to break down some of this resistance, since a six per cent yield is hardly considered to be necessary for the Ontario sale. With the successful placement within the Dominion of several such important pieces of financing, general confidence is expected to be established more firmly and, given no disturbing changes in world affairs, a satisfactory trend is possible during the next six months. In the United States the financial condition of a number of large cities has given rise to disturbance in the municipal bond market, but in Canada the largest cities are all in a comparatively sound financial position.

Corp. Steel Profits To Show Shrinkage

From Our Own Correspondent

MONTREAL. — Earnings of Corporate Steel Products for 1931 are thought to have been sharply off from their level of the previous year. In 1930 the dividend on the preferred stock of Western Steel Products, an operating subsidiary, was earned more than three times over; payments on this stock were suspended in October, 1931.

The financial statement is in course of preparation and will be released shortly. Though no details of earnings are available it is known that the report will reveal some changes in the company's directorate.

Corporate Steel Products was formed in 1930 controlling Western Steel Products and other subsidiaries. Plants are operated in principal centres of Canada from coast to coast; last year the company entered the Ottawa field and also formed a new subsidiary in Saint John known as Atlantic Steel Products.

Toronto Taxes Will Increase; Position Sound

Toronto's tax rate will increase during the next few years as a result of expenditures already made, according to George Wilson, commissioner of finance for the city, in a report on city finances presented before a special meeting of the city council recently. Tax rate in 1931 was 33.6 mills and a minimum rate of 34.64 mills in 1932, 35.72 mills in 1933, 35.99 mills in 1934 and 36.17 mills in 1935 can be expected even with an annual increase of 1.5 per cent in total assessment.

Counselling utmost care in the making of new expenditures, Mr. Wilson outlined the financial difficulties which must be faced in the next few years. Employment relief, cost of premium on New York exchange, materially higher rates of interest on new capital issues, decreased revenues due to declining ratio of annual increases in assessment and probable increase in tax delinquencies were among the difficulties mentioned. It was emphasized that the financial position of the city is sound and its credit rating high while its statutory borrowing powers are ample.

Montreal Rail Bonds Are Not All Deposited

The bondholders' committee for the 6½ per cent first mortgage sinking fund gold bonds of Montreal Rail & Water Terminals Ltd., has secured deposit of over 66 per cent of the $3,000,000 of bonds outstanding. A sufficient additional amount is expected to be deposited in the near future to warrant presentation by the committee of a formal plan of reorganization to the bond holders. Interest on this issue of bonds is in default since August 1, 1931.

The 7 per cent general mortgage bonds, due 1946, of which $600,000 is outstanding is in default from September 1, 1931. The protective committee has not as yet secured deposit of sufficient bonds to take action. In the case of the 7 per cent debentures due, 1956, of which $200,000 is outstanding no committee of debenture holders has as yet been formed and such action will follow only an action being taken by protective committees for prior issues.

Obituary

Alexander Simpson, pioneer banker and manager of the Ottawa Clearing House for over 20 years, died Jan. 10 at the age of 75.

COMMON STOCK OFFERING MADE ON NEW PROJECT

Windsor Elevator & Warehouse Co. Will Serve Essex and Kent

Construction of a 2,000,000 bus. grain elevator and transfer warehouse at Windsor, Ont., is being financed by the current offering of 75,000 shares of no par value common stock of Windsor Elevator & Warehouse Co. This flotation, which is being handled by W. A. Mackenzie & Co., is the first new stock issue to be publicly offered for many months. Upon completion of financing there will be 100,000 shares outstanding of which 24,995 shares are to be issued in part consideration of purchase of the site.

Site on Detroit River

The site is on the Detroit River with a frontage of 1,381 ft. and a depth of 135 ft. The elevator will consist of two units each with 1,000,000 bus. capacity and the warehouse will be designed to handle package freight. The project is designed to handle grain grown in Essex and Kent counties. It is estimated that the warehouse will handle 160,000 tons of package freight per year.

Earnings Estimated at $4

The site to be acquired by the company is valued at $785,000. Plant when completed will have a value of $1,257,000, it is estimated. Estimated working capital is placed at $75,000 giving total assets of $2,117,000 on completion of the project. Earnings are estimated at $4 per share based on gross earnings per year from the elevator of $472,500, operating expenses of $124,000 and net earnings from elevator of $348,500 with an additional $60,000, net, to be derived from the warehouse. On this basis the elevator would have to handle 5,000,000 bus. of corn and 2,000,000 bus. of other grain, raised in Essex and Kent, exclusive of western Canadian or United States grain.

The company recently secured supplementary letters patent increasing authorized capital stock to 150,000 shares from 50,000 shares with the provision that the total number of shares should not be issued for a consideration not exceeding in the aggregate $2,250,000. According to a by-law of the company no bonds, mortgages or preferred stock will be created without consent of holders of at least 60 per cent of the outstanding common stock. The stock is being offered at $20 per share.

Directors of the company include C. R. Vannatter, president, Windsor; W. L. McGregor, C. P. McTague, Windsor; W. A. Mackenzie, Toronto; W. Hollingshead, Dutton; A. J. Golden, Kingsville.

URGES ECONOMY IN MUNICIPALITIES

Manitoba Commissioner Asks That 1932 Budgets be Balanced

Municipalities in Manitoba are in receipt of a letter from D. L. McLeod, municipal commissioner for the province, urging that in the preparation of the 1932 budget every consideration be given to economy in expenditures and that collection of tax arrears and liquidation of frozen assets of tax sale certificates and tax titles should be the subject of special effort. The commissioner points out that municipalities are now in a period of restricted credits, falling revenues and accumulating deficits, increasing tax arrears and greater responsibilities for relief.

It is stated that it is vitally essential for municipalities to balance their budgets not on a basis of tax impositions but on a basis of actual cash collections. Expenditures must be kept within actual cash revenue. Essential services should be maintained but less essential services should be curtailed or omitted. Cooperation with school boards in an attempt to balance educational budgets; organization of relief on an economical basis; increasing vigilance in elimination of non-essential expenditures; consideration as to advantageous refunding of capital indebtedness are all suggested.

BOND SALES

COUNTY OF LENNOX AND ADDINGTON, ONT.

Dominion Bank has been awarded $26,000 of 5% 10 installment debentures of the County of Lennox and Addington, Ont., at 94.75. Debentures are dated December 15, 1931. Bids for the issue included one of 93.31 from H. R. Bain & Co., and one of 92 from Harris, McKeen & Co. Bids entered on an optional basis were as follows:

R. A. Daly & Co.	94.75
Dyment, Anderson & Co.	94.38
Gairdner & Co.	92.31
C. H. Burgess & Co.	94.50
Bell, Gouinlock & Co.	93.25

RADIO LECTURES ON INVESTMENT TO START JAN. 27

Ten Talks By Experts Will Cover General Principles

On Wednesday, January 27, the first of a series of radio lectures on principles of investment will be broadcast at 7.45 p.m. over station CFCA. Arranged by Western High School of Commerce, Toronto, the lectures will be given at the same time each Wednesday evening and will continue until March 30; a total of ten lectures. Each lecture will last for 15 minutes and will deal with some phase of investment. The speakers are all well known in financial circles.

The series on investment principles is but one of a series of educational radio talks arranged by the Western High School of Commerce. The lectures on investment will be given by authorities but in non-technical language with the purpose of giving in simple terms a basis for intelligent investment. The first talk will be on the broad subject of "Canada as a Field for Investment" and will include an outline of investment essentials. The first speaker is C. P. Fell, of Matthews & Co., who will take over the microphone at 7.45 p.m. Wednesday, January 27.

The subsequent lectures will be as follows:

Feb. 3: Security—A Prime Consideration. H. R. Jackman, Dominion & Anglo Investment Corp.

Feb. 10: Income—A Leading Motive for Investment. J. P. Walwyn, R. A. Daly & Co.

Feb. 17: Marketability—An Important Principle of Investment. E. R. Angus, Matthews & Co.

Feb. 24: Diversification—The Most Frequently Disregarded Essential. J. Courtland Elliott, A. E. Ames & Co.

March 2: Government and Municipal Securities — Including Foreign Government Bonds, "High-Grades" and others. J. P. Crysdale, Gairdner & Co.

March 9: Corporation Bonds—Public Utility and Industrial; First Mortgage and Secondary Charges. A. G. Walwyn, Dominion Securities Corp.

March 16: Mortgages — A Time-Honored Medium of Investment. H. M. Forbes, Toronto General Trusts Corp.

March 23: Common and Preferred Stocks—Their Place in an Investment Programme. Russell G. Dingman, Fraser, Dingman & Co.

March 30: Investment Policy—Influenced by Prevailing Conditions and Business Cycles. A. E. Ames, A. E. Ames & Co.

Windsor Hotel Earns Bond Interest in 1931

Windsor Hotel of Sault Ste. Marie has earned bond interest 1.75 times since it was opened early in 1931, according to a statement just issued. It is estimated that trade during the four summer months will pay bond interest for the entire year. The new section of the hotel which contains 160 rooms was opened in April, 1931.

In July, 1930, an issue of $325,000 6½ per cent first mortgage bonds was sold and interest on this issue has been earned despite the fact that in the 17 months ended October 31, 1931, the hotel was only in full operation for eight months. There is also $200,000 of 7 per cent preference shares outstanding and 1,875 shares of common stock. Interest in the hotel is held by Canadian Pacific Railway, Algoma Steel Corp., Abitibi Power & Paper Co. and Great Lakes Power Co.

Ontario Steel Passes Dividend on Common

Ontario Steel Products Co. has passed the common dividend ordinarily payable on February 15 but has declared the regular quarterly dividend on the 7 per cent cumulative preferred stock. Payment on the common stock has been made since 1924. Since May 15, 1931, the quarterly rate on the common stock has been 20 cents per share.

In the fiscal year ended June 30, 1931, the company showed substantial decline in earnings from the previous year and after setting up the usual reserve for depreciation no earnings were available for either preferred or common stocks. Cash position of the company was strong with ratio of current assets to current liabilities at 16.55 to 1.

Red Deer Finances Are in Good Shape

Red Deer, Alta., closed its fiscal year with 85 per cent of the year's tax levy collected, the highest percentage of collections on record. City debt was decreased by $25,000 during 1931 and present debt, less cash on hand, is under $200,000 which includes debentures for electric light and waterworks. Further reduction of $40,000 is expected during 1932.

During the past year the city did not borrow from the bank and has a sufficient bank balance to finance operations for some months. Tax rate has been decreased by 6 mills since 1929 and further reduction may be made in 1932. The city does not collect any service or income tax or any personal property or poll tax. The only taxes collected are on land, improvements and business tax.

Provincial Bank Loans Make Peak in November

Current bank loans of Canadian provinces and municipalities increased substantially during November, according to the bank statement recently issued. Current loans to provinces increased to a new record for all time at $42,049,351 as compared with the previous record of $38,343,852 registered in October. Municipal loans at $118,836,283 compare with $113,836,283 at the end of October but are still below the high point reached in March, 1931, when loans amounted to $127,823,209.

The above figures which show a total larger than any previously reported may still be far short of actual advances to provinces and municipalities. In many cases banks have accepted short term treasury bills or debenture issues which may be carried under different heads. Investment in Dominion and provincial government securities at the end of November is shown at $507,763,726, an increase of over $9,500,000 from October, and the first time that investments of this class have ever been carried to the extent of $500,000,000.

Investments in Canadian municipal securities and British, foreign and colonial public securities other than Canadian amounted to $155,122,880, an increase of $6,500,000 during November although somewhat under the total of $169,610,039 attained in August, 1931. Inability to secure funds through public offering of bonds during the past six months has made many Canadian municipalities dependent upon banks while relief expenditures and difficulty in collecting taxes in many cases has made the need all the more urgent.

Increased Money Values Essential to Recovery

J. Maynard Keynes Says Capitalism Must Find Some Way of Increasing Prices or Else Collapse

The plight of the banking business at the present time is crystallized by J. Maynard Keynes, English economist, and member of the Macmillan Committee, in an article appearing in a recent issue of "Vanity Fair." Briefly, he states it is a case of marginal loans on collateral, wherein the collateral has been deflated to the extent where the banker finds his loans uncollectable.

The reason that bankers are having such a hard time, he points out, is that the decline in the price level was so violent that it went beyond their margins. Thus country after country has gone off the gold standard and 2,300 banks in the United States have failed.

Inflation Only Remedy

The stage the depression has now reached is the deflation of debts whereby the borrowing of a previous period is being reduced to match the depreciation in commodities, real estate, and so forth. This is being accomplished by defaults by governments, failures, reorganizations and wholesale liquidation of values by holders, and apparently this process is to continue until some workable method is found by which to start prices rising again, according to Mr. Keynes, who says, in part:

"Modern capitalism is faced, in my belief, with the choice between finding some way to increase money-values toward their former figure, or seeing widespread insolvencies and defaults and the collapse of a large part of the financial structure; after which we should all start again, not nearly so much poorer as we should expect, and much more cheerful perhaps, but having suffered a period of waste and disturbance and social injustice, and a general re-arrangement of private fortunes and the ownership of wealth. Individually, many of us would be "ruined," even though collectively we were much as before. But under the pressure of hardship and excitement, we might have found out better ways of managing our affairs.

Financial Suicide

"The present signs suggest that the bankers of the world are bent on suicide. At every stage they have been unwilling to adopt a sufficiently drastic remedy. And by now matters have been allowed to go so far that it has become extraordinarily difficult to find any way out. In Great Britain we have gone some way toward solving our own problem by abandoning the gold standard, but, unfortunately, we have only made matters worse for countries still adhering to it."

DECLINE IN SILVER BLAMED ON INDIA

U. S. Senator Would Seek Co-operation to Stop Importations

Declaring that there seems to be "no legitimate excuse" for any further delay on the part of President Hoover in calling an international conference on the silver question, U. S. Senator Pittman, chairman of the senate committee which has been studying the problem, emphasized his opinion that the real cause of the depressed price of silver is the dumping of the metal from India.

"This can only be stopped through agreement of governments," he said. "It is not necessary that the British Government or the Government of India be party to such an agreement if the United States, Canada, Mexico, South America, Central America, China, Japan, Australia, and New Zealand alone agree not to debase or melt up silver coins, and that no silver shall be imported into any such countries from a country not party to the agreement.

"Then India will be forced to abandon her destructive policy because there will be nowhere for her to sell her silver."

Ontario Gold Output in 1931

The gold production of Ontario for 1931 was approximately $43,000,000 (including the output of gold mines and from the nickel-copper industry), according to Hon. Charles McCrea, Ontario Minister of Mines, who stated recently that production from this province would just about equal the whole gold production of the United States. Mr. McCrea also pointed out that to the end of 1931 Ontario will have given the world approximately $395,000,000 worth of gold.

Bond Redemptions

Offerings are being asked of the 6 per cent first mortgage bonds of Canadian Locomotive Co. for sinking fund purposes. The trustee, National Trust Co., Toronto, will purchase $27,000 of these bonds and will receive offerings up to 10 a.m. on January 18.

Bond Issues—	Rate	Due	Redeem.	Price
Cascade Water Power	4½%	1940	†May 1	100
Interlake Tissue Mills	*6%	1935	Feb. 1	101
Mt. Royal Tunnel & Term.	*5%	1970	Apr. 15	100
Foreign Issues—				
City of Oslo, Norway	5½%	1946	Feb. 1	100

*Called in part.
†Or before.

Winnipeg Tram Strike Delayed Pending Enquiry

From Our Own Correspondent

MONTREAL. — Following promise of a city council investigation into the dispute, the threatened tie-up of Winnipeg's tramway system, through strike action of the employees of the Winnipeg Electric Co., owners of the traction utility, has been indefinitely postponed.

It had been proposed by the company to put into effect a 10 per cent wage reduction. Employees to the number of more than 1,000 opposed this move and a majority voted to go on strike. City and Dominion Government officials intervened and negotiations, stopped when the men's union refused to accept the majority report of the conciliation board which favored the cut, have been reopened. The company has agreed to hold off putting the wage cut into effect until the present investigation is concluded.

Weichel New President Waterloo Mutual Fire

W. G. Weichel, vice-president of the Waterloo Mutual Fire Insurance Company since 1924. has been appointed president of the company to succeed the late Levi W. Shuh. Mr. Weichel was chosen a director of the company in 1920.

J. Howard Simpson of Guelph has been appointed vice-president to succeed Mr. Weichel. Mr. Simpson is the oldest director of the company in point of service, having been appointed in 1913. One director is still to be chosen by the board to replace Mr. Simpson.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31 $	Net income 1929-30 $	Common earnings 1931 $	Common earnings 1930 $	Curr: divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
Western Breweries Ltd.	Oct. 31	29,306	106,521	...	0.42	...	171,337	201,163	...	...	...
Can. Perm. Mtge. Corp.	Dec. 31	913,928	989,516	13.06	14.14	12.00	*540,636	*466,708	190	15.8	6.3%
Toronto Mortgage Co.	Dec. 31	132,999	120,185	6.74	6.16	6.00	*78,364	*63,373	...	...	...
Security Loan & Savings	Dec. 31	58,288	58,572	10.80	10.85	7.00	*4,812	*5,465	...	...	...
Midland Loan & Savings	Dec. 31	60,647	60,633	16.85	16.84	10+2	*32,396	*39,949	...	...	...
Dominion Bank	Dec. 31	1,322,287	1,409,747	13.01	14.71	12.00	465,209	444,219	194	15	6.18

* Exclusive of other reserves.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Montreal	Jan. 19	Bank of Montreal, Banque Can. Nationale, A. E. Ames & Co., Dominion Securities Corp., Wood, Gundy & Co., Hanson Bros., Royal Bank, Bank of Commerce, Bank of Nova Scotia, La Banque Provinciale, Royal Securities Corp., Nesbitt, Thompson & Co., McLeod, Young, Weir & Co., the National City Co., Harris, Forbes & Co., Drury & Co., W. C. Pitfield & Co., Ernest Savard, Fry, Mills, Spence & Co., Bell, Gouinlock & Co., R. A. Daly & Co., L. G. Beaubien & Co., Hannaford, Birks & Co., Mead & Co., Credit Anglo-Francais, Collier, Norris & Henderson, Geoffrion & Co., Societe De Placements Du Canada; Williams, Partridge & Co., Rene T. Leclerc Inc.	6% 6%	1935 1941	$3,770,000 11,456,000	*100	6%
Mille Isles, Que.	Dec.	Privately	5%	1932-51	8,000	100	5%
Lennox and Addington, County of	Jan.	Dominion Bank	5%	10-ins.	26,000	94.75	...
Stock Issue:							
Windsor Elev. & Warehouse Co.	Jan.	W. H. Mackenzie & Co.	...	Common	75,000 shs.	$20	...

*Offering price.

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Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Brittain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.

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TORONTO, JANUARY 23, 1932

EASY TO BORROW BUT HARD TO PAY BACK

WHAT Beaudry Leman, general manager of la Banque Canadienne Nationale, had to say, at the annual meeting of his institution, on the subject of the abuse of credit has wide application. The assumption of unwarranted and unwise obligations has made the decline in prices bear heavily upon all classes of creditors and has made the depression acute. Installment buyers, governments, farmers, industrial corporations — all classes of borrowers — are finding themselves severely handicapped by the burdens they have to carry. These burdens would have been serious enough if they had been normal but easy credit conditions in recent years have led to an expansion of borrowings beyond reasonable ability to pay under any circumstances other than the most inflated prosperity. It would have been better for some Canadian farmers if credit had been more difficult to secure in the easy postwar years. It would have been better for many of our cities and provinces if the New York money market had been closed to their offerings during the same period. It would have been better for many present owners of expensive cars, furniture, etc., if they had had to pay cash for their purchases. It would have been better for some corporations if they could not have borrowed as easily as they did a few years ago. Now the debts must be repaid and it is difficult enough to pay normal debts without having to pay those that represented non-productive borrowings.

There is now going on a very warm debate between two schools of economic thought. On the one hand, an important group of economists believes that inflation, through the extension of credit, will raise the price level and thus bring down the real burden of past debts, all of which would bring greater equilibrium into borrower-lender relationships. Another school feels that the process of deflation must go on until rock bottom is reached, which means that many people, corporations and even governments will have the burden of their obligations written down only through bankruptcy in one form or another. Probably all economists would be ready to see the process of deflation slowed up and see some reaction from present conditions, even through artificially induced inflation, if they could feel that such inflation could be kept in check. But experience has shown that most people and most governments do not know their limit when credit is easy and borrowing cheap. The real danger of inflation is the possibility of it getting out of control again.

MORAL OBLIGATIONS VS. LEGAL REQUIREMENTS

DEPRECIATION of the Canadian dollar in terms of New York funds is exacting heavy toll from Canadian provinces, municipalities and corporations who must make payment in gold. Heavy loss, faced in payment of interest and principal in United States funds, is not balanced by the current depreciated rate of sterling exchange since Canadian bonds payable in London are in many cases payable also in Canada and interest and principal payments are demanded in Canadian funds.

Certain Canadian cities have already decided to pay in Canadian funds only where formerly payment has been made at par of New York exchange. The same action has been taken by corporations and more can be expected should the Canadian dollar remain at present levels. The City Council of Port Arthur has recently decided to pay interest on sterling bonds at the current rate of exchange rather than at par of exchange as has been the case in the past. Wherever such municipal action has been taken it is presumed that the borrower has kept strictly within its legal rights. The moral obligation, however, remains in some cases although the legality of the action is unquestioned.

Each case must rest upon the several factors peculiar to it alone but as a general rule the moral obligation should be followed even more closely than the exact letter of the law. The credit of a municipality should not only be maintained but should be progressively strengthened and the action of one council, which may result in the saving of a few thousand dollars during a period of stress, may have a very adverse effect over a period of years following.

It is possible that heavy additional payments caused by exchange rates might be the final straw that would break the back of a weak financial structure and under such conditions it might be the part of wisdom to take advantage of any savings which could be effected in order that total default of obligations would not occur. Circumstances must govern actions and judgment of the financial community should only be given after full study of the facts. Failure to live up to a moral obligation can only be evidence of lack of foresight or financial stringency. The latter might well be corrected through economies which would attract rather than repel investors.

WISE FROM EXPERIENCE

AT THE annual meeting of the Canadian Bank of Commerce, the president, Sir John Aird, reaffirmed his faith in Canada. He said, "I envy those Canadians who have a lease on the next half century for they will see their country advance to a still higher place in world business."

Yet it was notable that in expressing such faith in Canada's ability to conquer its present economic obstacles, Sir John did not attempt foolish forecasts as to the immediate trend of business. In fact, a study of the annual addresses of Canadian bankers over a term of the last six or seven years will provide an object lesson in the value of cautious utterance on the part of these leaders of business opinion.

Sir John Aird is regarded by contemporaries as one of the most able bankers this country has ever produced. When a man's contemporaries and competitors say this of him it means a great deal. Sir John has worked his way up from a clerkship in a small branch office to a position at the head of one of Canada's greatest institutions.

Notwithstanding Sir John Aird's long experience and his thorough knowledge of banking and finance, his public views on the business outlook reveal none of the cocksureness of professional business forecasters. These forecasters are one of the menaces of present-day business. They are always ready to write or speak and to present a very plausible theory as to what will happen next in business, sometimes outlining their story to the last detail. Occasionally one of these forecasters makes a hit and is able to run along on his reputation for two or three years. But taken by and large, professional business forecasters are less than 50 per cent accurate.

NOTHING SO CHANGELESS AS CHANGE

THE professor of business economics at Harvard University, Dr. Sumner H. Slichter, raises an important question when he asks if the state should give any inventor a monopoly in the product of his genius. In discussing how technological unemployment—which is unemployment created by adaptation of machinery to production—might be minimized, Professor Slichter says that governments help innovators to make profits by giving them monopoly rights in their inventions, so that the cost of changes falls upon the community. It falls in a very large measure upon those whose property or occupations are rendered obsolete by new inventions. To this extent, change is subsidized by the State, he argues, just as much as if the State appropriated hundreds of millions of dollars to accelerate it.

"This enormous subsidy," says the professor, "which is woven into our various institutions, is one of the outstanding economic facts of the age."

Professor Slichter feels that the world has permitted itself to be run by the juggernaut of industrial revolution for two centuries. Changes occur at a woefully rapid rate because the cost of them falls not upon the investors but upon those whose methods are rendered obsolete, and thus change in the economic system wrecks thousands of lives and produces an immense human scrap heap. He feels that this advance in mechanization should not be permitted to occur too rapidly but should be controlled and intelligently directed.

While the argument that the State should not grant exclusive rights to any one for the use of new inventions even when they are the product of their own genius, is a new one, the theory that scientific advance in industry and production generally is a primary cause of unemployment is a very familiar one. It is not a thoroughly sound argument. It is possible to quote figures to show that the output of individual workers is much greater than it was ten or twenty years ago. It is possible to argue from these figures that a large percentage of current unemployment is due to the use of machinery. Yet all of the great mechanical inventions of the last centuries, such as the steam engine and the automobile, have created vast new industries absorbing many men in profitable employment. The chief result of the application of machinery to production has been the lengthening of the leisure hours of mankind. Those who speak so glibly of the evils of the machine age would probably be satisfied with a cave-man economy, without barter or trade, and with every person in the world struggling from 12 to 16 hours a day to eke out even an existence.

There is nothing in the world so changeless as change. It is impossible to control inspiration and ambition. The economic troubles of the world are not due to scientific advance, but to the fact that science has not been sufficiently applied to monetary and other branches of society. The ability of men today as producers has outrun their ability to exchange their goods and to keep their international books of account.

PUBLIC JOB-MAKING

HERE is a paragraph from Bruce County in the Ontario weekly crop report of January 12:

> "Labor is satisfactory as far as the county goes. One man who was in the office, however, reports that the relief work in the north is taking help at wages he cannot pay, and he finds difficulty in getting men to go to his lumber camp."

Comment is almost superfluous. However, the chief weakness of the federal employment relief scheme is not that it has created a shortage of workers but that it has created public jobs at uneconomic expense and in a manner that has killed off private works that would have provided employment.

Here is a comment from the well-edited and far from excitable Orillia Packet-Times that reveals how public job-making has worked out in practice:

> "Never, we should think, in the municipal history of Ontario, has there been such wanton extravagance. A townsman told us the other day that he had watched the laying of gravel on Queen street. One man, or at most two, would have found it hard to find occupation in spreading the gravel between the arrival of loads. But by actual count twenty-five men were engaged on the job spending most of their time gathered round a fire, gossiping. This went on for several days. The same sort of thing was to be seen all over town. Such shamming is more demoralising than the direct 'dole.' The sidewalk contracts avoided this drawback. Real work was done on them. But sidewalks were laid where they will not be needed for years to come; and when possibilities in this direction were exhausted, block after block of tolerably good walk was torn up and re-laid. In this way, the money that should have carried the unemployed through till next spring has been dissipated. It would almost appear that this was the deliberate object. But the Council seemed helpless to curb the operations, many of which had never been authorized by them. In four months $95,000 was spent in this way, much of it squandered. As a consequence, the incoming Council find themselves in a most difficult situation. There is likely to be more unemployment than ever; and there is an insistent demand from the ratepayers that expenditures be curtailed. For some time Orillia municipally, will be like a man recovering from a tremendous spree. It is a painful process, accompanied by violent headache and empty purse."

As Walter Lippman put it in a New York Herald-Tribune editorial discussing the proposal to issue U. S. government bonds to create jobs "a nation cannot squander its way back to prosperity."

THERE ARE NO UNTAXED

THE New York Times objects to the many plans for unemployment relief work to be provided with the aid of "federal funds." Whatever else may be said of so far-reaching a proposal, the Times thinks that it would be a gain for clearer thinking if people were to say in such matters "federal taxes," instead of "federal funds."

In Canada, there is an idea that when the Dominion Government undertakes to subsidize an activity of the provinces that the provinces themselves do not pay the bills. Similarly, when the provinces make grants to the municipalities, the municipalities do not think that they are meeting the cost. The idea is thoroughly fallacious.

The people of the province of Ontario, for instance, pay more to the federal government in taxes for their share of old age pensions than the aged people of Ontario receive in return. The citizens of Toronto pay more to the provincial government as their share of the taxes diverted to per diem hospital grants than are paid by the province to Toronto hospitals.

If people would get into their heads the idea that every governmental expenditure, no matter how or by what authority it is made, is eventually included in the tax bill and other bills that they pay, they would give less support to spending ideas. The man who never writes out a cheque for income tax to the Dominion government, who does not own an automobile or go to the theatre, and who owns no city real estate, pays, every day of the year, his share of the taxes. That portion that he does not pay directly, is absorbed in the cost of the goods and services that he buys and in lessened opportunity for profitable employment.

Just by way of demonstration of the fact that the "untaxed" pay their share of whatever money any government spends, we note that Montreal Light, Heat & Power Cons. recently sent the federal treasury a cheque for $187,091 representing the additional taxes imposed on the company by the increase in corporation tax of the Dominion. This brings the company's total federal income tax to $935,454.

Officials of Montreal Light, Heat & Power stated that if their federal corporation tax burden were removed, it would make possible a reduction in the price of electricity from the present net rate of 3 cents per kw.h. to 2.58 cents per kw.h. If applied to gas rates, it would reduce the present net rate of $1.05 per 1,000 cubic feet to 89 cents per 1,000 cubic feet.

Customers of the company pay this tax in their monthly light and gas bills.

POST-scripts

NO LONGER do the St. James Street chop-houses buzz with the talk of big deals, or how Bill Jones made $200 that morning going long on Pie Crust preferred. The talk has settled down to the weather and other mundane subjects. One group, however, is regaled by two of its members with long and serious discourses on the subject of goldfish, which are now their hobby. If you don't know anything about goldfish, don't be inclined to scoff. The care of goldfish calls for a combination of horse doctor, deep-sea fisherman, gardener and nurse. Santa Claus brought one of the group a large aquarium for Christmas and since that time his talk has been an admixture of angel fishes, fan-tails, salt baths, water temperatures, and last, but not least, guppies.

The high point in the noonday conversation was reached not long ago, when one of the goldfish enthusiasts told of a dream he had had. It was a weird and amusing story and holds a strong moral for other young men contemplating the hobby of raising goldfish. He dreamt one night that he got out of bed to look at his goldfish. Standing over the aquarium he started to tease them. Madly the little fish dashed from one side of the receptacle to the other. The teasing grew more intense and the fish got more and more annoyed. Finally one young goldfish, with more spunk than his brethren, bared his teeth, jumped out of the acquarium and started to chase his tormentor. Round and round the room they went, the goldfish (it must have been a flying fish) snapping and snarling at the bare heels of his master. The chase grew hot. Closer and closer the little fellow drew near his quarry and then with one wild spring it leaped to the attack, eyes extended, mouth open and white, pearly teeth bared and ready to sink in the fleshy part of his tormentor's exposed calf. The quarry in desperation swung his arm around to ward off the attack of the pursuer . . . His blow was strong and true for it landed on the chest of his sleeping wife. She quickly awoke and, smarting from the sharp blow, demanded an explanation from her spouse, who also had come to by this time. Explanations were duly forthcoming.

Despite this untoward incident goldfish continue to be the principal topic of conversation at the luncheon hour. Before long we expect to have a story on the guppies.

THERE will be many glad hearts, and just as many sad ones, at the close of the day on April 7 next. For on that day the New Brunswick Government will hold a "bargainless" auction and will sell to the highest bidder 50 leases of fishing privileges on the province's justly famous salmon and trout streams. To have one of these leases is the ambition of fishermen the world over. Consequently bidding is keen and some of the more famous leases fetch thousands of dollars. So expensive are some that only a very wealthy man could afford to bid. Generally most of the bidding is done by syndicates, composed of bankers, lawyers, manufacturers, doctors, business men and other followers of the piscatorial art. American groups have been prominent at previous sales, but Canadian and English syndicates are well represented.

New Books

"New Roads to Prosperity"

Paul M. Mazur has achieved a reputation as one of the clearest of American economic critics. His newest book "New Roads to Prosperity," completes a triology that began with "American Prosperity; its Causes and Consequences," in 1928, and continued with "America Looks Abroad," in 1930. Yet having read all three of these books the present reviewer is reminded of the story about the famous orator. Readers will recall it. Someone who had heard the orator deliver one of his famous speeches was raving about it. A friend asked, "What did he talk about?" The reply was, "He didn't say."

Mr. Mazur is attempting to discuss the paradox of prosperity, but his treatment is exceedingly diffuse. In 1928 he was somewhat concerned by the obvious fact that mass production depended upon mass consumption but he was still hopeful of ways and means being found of forcing down the throats of consumers the enormous annual quantity of goods that American business had to turn out to keep its superstructure of plants and its distribution mechanism busy. Mr. Mazur admits now that his hope was badly founded and the danger that he sensed, mass production without commensurate mass markets, has eventuated. In his new book he explores possible avenues of escape. He has overlooked few of the plans for the restoration of buying power, the improvement of the world's monetary system, the creation of consumers enough to match the producers, the absorption of the unemployed, etc. The treatment is imaginative and thought-provoking but there is lacking a deft finality or even a statistical clarity that would have put the volume among notable economic contributions. Mr. Mazur is more skillful in propounding the puzzle of business today than in discussing the solutions.

"New Roads to Prosperity" is published by MacMillan Co. of Canada, Toronto, at $2.25.

"Stop Me If You've Heard This One"

A man who had been living a life that was, to put it mildly, a little irregular, wanted to have his life insured, and applied to a friend, an agent for a prominent company, for a policy. The agent sent the company's physician to examine the applicant, and that was the last he heard of it for some time.

Meeting his friend on the street, he said: "Say, George, how about that life insurance of mine? Don't I get it?"

"Well," said the agent, "you know, in our company it is the custom for the physician, after he examines a man, to take a chart of the human body, and he punches a hole in it wherever he finds anything wrong."

"Oh, is that so, George? Did the doctor do that in my case?"

"He sure did; and he took the chart home and put it on his player-piano, and it played 'Nearer My God to Thee.'"

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

ISOLATION GAINS

IF THERE is one thought in relation to both political and business affairs that is more dominant than any other in the United States at present, it is that the country has lost too much by trying to help Europe and that it will recover from the economic depression only by looking out for itself.

An expression of this feeling was the action of Congress in adding to the moratorium resolution the declaration against any cancellation or modification of foreign debts. Other evidence may be seen in the abandonment by Congress of any attempt to reduce the tariff. The majority party in the House has denounced the Hawley-Smoot law as the chief cause of the hard times. It still maintains that opinion in campaign talk. If it should win the presidential election next fall, it undoubtedly would adopt a new tariff sometime in 1933 or 1934. Nevertheless, for the present it even has dropped the proposal to authorize lower duties in return for reciprocal concessions by other countries and has attempted merely to transfer the control of flexible rates from the President to Congress. Disappointing as has been the flexibility feature of the tariff from the viewpoint of those who expected downward adjustment, the change now proposed would eliminate the probability of any further alterations for another 18 months, at least.

* * *

THE declarations by Chancellor Bruening that Germany cannot pay any more reparations debts and by Mussolini for complete cancellation have strengthened the sentiment previously conveyed in the condition attached to the moratorium resolution. One may hear it from the talkie screen and in street-corner conversation. The line of argument is that the United States helped the Allied countries decisively with men and money to win the war. It loaned millions to Germany for rehabilitation. It promoted by this aid to other countries an artificial boom and an over-production. It now is suffering from the inevitable reactionary depression and is threatened with repudiation by its debtors. The people of the United States can and will stand losses like good sports, if they must, but the lesson which they will take home to themselves will be: "Never again."

Something of this reasoning may be identified in the very extraordinary elimination of partisanship by which Congress authorized the Reconstruction Finance corporation and other measures in the President's programme for aiding business recovery. Not the least impressive feature of this legislation is that it aims to recover prosperity by internal policies, instead of awaiting the development of outside markets. Even a great group of professional economists from university circles has come forward with a programme resting on the assertion that the "United States can have substantial business recovery without waiting for a solution of Europe's difficulties."

* * *

OF COURSE, voices still are heard on the opposite side. Those to whom "isolation" means a high tariff, refusal to join the League of Nations, unwillingness to cancel international debts, and failure to recognize Soviet Russia contend that until these policies are reversed, times will grow worse. The prevailing movement however, is toward a still stronger isolation in the sense just described, though the contention also may be heard that the participation in the war, the conferences for reduction of navies and the foreign loans, especially the loans, do not make exactly a record of isolation for the United States. At any rate the drift of thought is toward still more isolation in the matter of loans, at least, so far as the continental countries are concerned. An inclination to be liberally sympathetic toward Great Britain has been voiced by one of the most authoritative senators.

The efforts of both business interests and government will be to get capital at work in domestic industries and to discourage lending abroad. The greatest political divergence is likely to appear on the question whether capital should be left in private hands or borrowed by the government to carry on industries itself. The Hoover administration, so long as it lasts, will hold the country to the private-ownership rule, whether the next election makes any pronounced change in policies or not.

* * *

WHAT BRITAIN THINKS

IN A personal letter to a Canadian business associate, a British business man makes these interesting

(Continued on page 9)

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The Week in Business

Inflation in Canada
U. S. Undecided About Similar Tonic
Business Still Wary About 1932

MOST people would be surprised and many would be indignant if they were to be told that within the last few months Canada has undergone what amounts to a literal inflation of probably 20 per cent in relation to our neighbor and economic associate, the United States. Such a statement is difficult to prove in part because of the lack in this country of a really inclusive index of prices such as the one compiled by Dr. Carl Snyder of the Federal Reserve Board of New York but if our economic barometers were as accurate and trustworthy as, for instance, the instruments by which we now measure the weather, we would probably find that the basic relationship between the volume of production and trade, and the volume of credit in the country have been so affected by the recent upheavals in the exchange markets of the world as to give us nothing more or less than a mild dose of old-fashioned inflation in our price level.

An even more substantial dose of the same medicine has of course been taken by Great Britain so that the net effect of our relations with that country probably show little change. The important obvious effect is as far as United States is concerned.

* * *

IT IS just such a prospect that is causing nation-wide controversy in the United States at the present time. On one side a group of leading economists headed by Warren M. Persons have prepared a definite programme of so-called inflation, which it is understood has the support of Republican leaders at Washington and with this economic weapon a monumental attempt will be made to stem the tide of deflation and depression and start the country once more on the upward trail to business and financial prosperity. On the other hand, leading business journals such as the New York Annalist, the Commercial and Financial Chronicle, the New York Journal of Commerce and an important group of bankers sometimes called the "Leffingwell" school, (since their spokesman is the Morgan partner of that name) are firm in the belief that any attempt at inflation must have very serious consequences and that once underway may prove a boomerang that will destroy much if not all of the bitter but salutary consequences of deflation which have for the past two years been laying a sound basis for business recovery.

The subject is of course one that the layman and even the professional economist know all too little about, but there seems little doubt that it will loom as one of the primary considerations in business recovery on this continent during 1932 and may have very far-reaching consequences in regard to the economic position of Canada especially as affecting our trading relations with Great Britain and the United States.

* * *

AS TO the general condition of trade and production throughout Canada the week's records reveal little of outstanding importance which would indicate any significant change in our economic position. Unseasonal weather east of Manitoba, has been a deterrent to trade but as is pointed out by R. G. Dun in their weekly review, inventories have revealed the appalling meagreness of stocks and as a result buying at wholesale has been brisker than for many weeks. Many lines of industry are now getting ready to swing into seasonal production but just how volume will compare with previous years is difficult, as yet, to estimate. The encouraging reception to new automobiles announced in Canada simultaneously with the New York show which concluded last week, may portend a good year in this important industry, especially if the present adverse exchange factor can be corrected in the near future. Undoubtedly much buying in this field still depends on the new Ford which is now supposed to be released on February 1.

Business Conditions in Canada

FOOD INDUSTRY FINISHED 1931 IN GOOD SHAPE

Most Lines Found Business Better Than Was Anticipated

The food industry had a good year in 1931—much better than was expected at the beginning of 1931, according to a year-end survey made by Canadian Grocer. Prices of raw materials are considered to be at the bottom, which also applies to wholesale and retail prices and any improvement in business, generally speaking, would probably cause increases to be put into effect, says this journal. Inventories among manufacturers, retailers and wholesalers are said to be either normal or subnormal, which is a healthy condition.

Brief reviews of specific conditions found in various groups are as follows:

Table Salt—One large company in this business reports an increase for October, November and half of December against the same period last year of approximately 40 per cent in volume. For the entire year an increase in volume is calculated of 10 per cent in value and 3½ per cent in tonnage. While this firm admits there are many things to consider as far as 1932 is concerned, it is anticipated that the volume will be still better than 1931. Prices of raw materials as well as wholesale and retail prices are considered stable and there is a fair degree of equilibrium established among the different groups.

Cereals—A large cereal company says busine in the last quarter of 1931 has been at least equal to the business done in the corresponding quarter of 1930 in units of sales. This firm looks for the first quarter of 1932 to be as good as that of 1931 and an increase in volume in the coming year over the past. Inventories at the end of the year are normal in unit and probably subnormal in dollar value. Stability has been secured in prices of raw materials and wholesale and retail prices now reflect to the fullest extent the declines that have occurred in raw materials.

Beverages—A manufacturer of beverages had an increase in the last quarter of 1931 of 12 per cent over the previous quarter and 18 per cent over the same quarter of 1930. This company expects the first quarter of the New Year to be fairly good but is looking for a 10 per cent increase in business this year. Inventories are below normal, with prices stabilized on bottom.

Soap—A 28 per cent increase in voloume in the last quarter over the corresponding one in 1930 was realized by one of the soap companies. This company looks for a 15 per cent increase the first quarter of 1932 and are figuring on a 25 per cent increase for the entire year. Prices have been well stabilized but there is a tendency upward in raw materials. It is claimed that raw materials are the lowest in over 40 years.

Biscuits — Biscuit companies have had considerable trouble this year and while the last quarter was better than the previous one, the business was down in comparison with the same period of 1930. Prices were reduced some time ago 15 to 20 per cent and this has been responsible for a considerable decrease in dollar sales. The biscuit companies, however, are optimistic for 1932. New lines are coming out and this is expected to help conditions considerably, although the first quarter may not be as good as the same period of 1931. Inventories are low, but there is a tendency toward firmer prices in raw materials. If anything, some advances should be seen.

Tea.—The tea business has been fairly stable during the past quarter. One firm, for instance, reports tonnage in the last quarter a little better than that of the previous quarter and the same applies to the corresponding last quarter of 1930. Inventories are normal and prices are evidently on bottom.

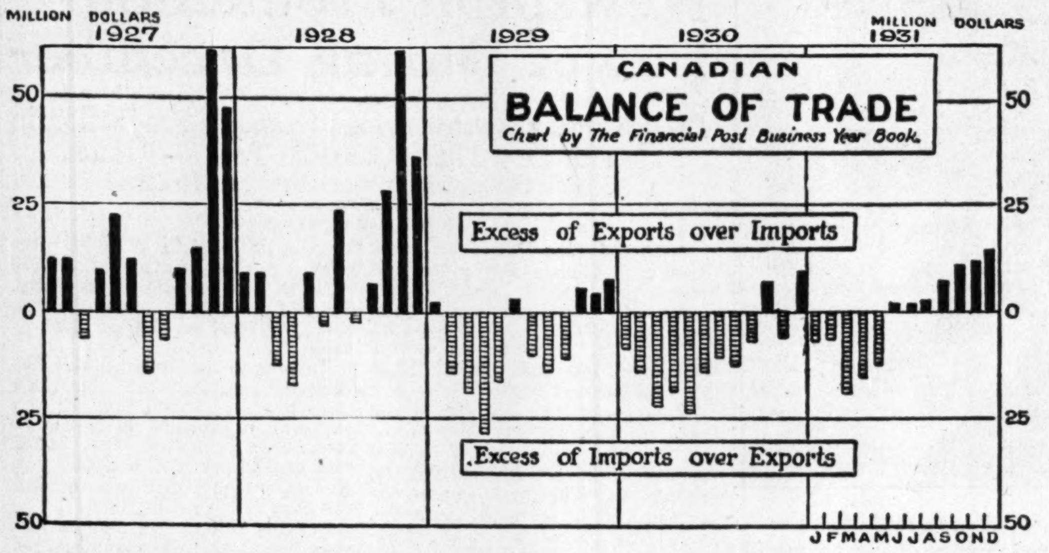
Condensed Milk—A manufacturer of evaporated and condensed milk has shown an increase in 1931 business over 1930 in both dollar and sales volume. The first quarter of the year is looked forward to with fair prospects but for the entire year an increase is anticipated. Inventories are normal. There is a tendency for an upward trend in raw materials but wholesale and retail prices will likely continue stable with perhaps even a downward tendency.

Fish Products—One wholesale firm dealing in fish products had approximately the same tonnage the last quarter of 1931 as during the corresponding period of 1930. On the whole the tonnage has been a little more. This company expects 1932 to be a fairly good year. Inventories are normal but prices have been, and are, tending downward.

Wholesale Groceries—Reports from a wholesale grocery firm are that about the same tonnage was realized the last quarter as the previous one, but the dollar sales were down because of lower prices. Business the first quarter of 1932 is expected to be on the quiet side, but it is generally conceded that prices are on bottom and it is almost impossible for them, on the whole, to go much lower.

Paper Supplies—From a company dealing in paper supplies comes the report that because of general conditions in the industry volume of business has been lower than in 1930, although the number of orders is down only slightly in comparison with the total decline in unit sales. Inventories are normal with raw materials fairly well stabilized and no further declines are looked for.

Trade Balance Small Compared With Previous Years



Although Canada has achieved an excess of exports over imports during the last seven months, the total is still small in comparison with what we had become accustomed to a few years ago. The chart reproduced from The Financial Post Business Year Book, 1932, shows the monthly balance during the past five years.

Business Briefs

Car loadings for week ending Jan. 9 at 38,784 cars were 26¼ per cent higher than for previous week, which, however, was a short week. Comparison with last year shows an increase of 6.7 per cent, but comparisons at this period are not very significant, the corresponding week last year including a holiday.

Wheat stocks in Canadian and U. S. ports at Jan. 8 reported at 200,416,777 bushels against 192,305,958 bushels for the previous week, the increase being attributed to more complete figures of stocks afloat. Export shipments from Canadian and U. S. seaboard ports totalled 3,444,748 bushels. (Vancouver 2,781,765 bush.) compared with 4,048,175 bushels (Vancouver 2,175,856 bush.) for same week last year.

Butter production (calculated) in Canada for 11 months to Nov. 30, 1931, showed an increase of 38,674,527 lbs. or 15.2 per cent over same period 1930. Saskatchewan made increase of over 36 per cent for year with 18,960,352 lbs., this being 14 per cent above 1926 record make.

Halifax Grain Handlings Gain

Grain shipments through the Port of Halifax were nearly 400,000 bushels greater in 1931 than in 1930, a statement issued by the traffic department of the Halifax Harbor Commissioners shows. The figures for the two years are: 1930, 731,995 bushels; 1931, 1,126,787 bushels.

December Index Drops Despite Some Gains

Minerals, Production, Freight and Automobile Gains Insufficient to Offset Other Losses According to Preliminary Returns

By SYDNEY B. SMITH

The year 1931 for which competent statistics are now available, was a period of economic reaction, as measured by The Financial Post preliminary index of general business. During the first four months strong resistance was shown to reactionary tendencies. The partial failure of the western grain crop and financial dislocation in most of the important commercial countries led to further curtailment in the remaining months of the year.

The trend of 1931 resembled that of the preceding year with the difference that the starting point was at a much lower level. The level of operations at the end of 1931 presented a sharp contrast with the zenith of prosperity reached in the early months of 1929. At that time industrial operations were more active than at any time in Canadian history. It has been demonstrated that the conditions of three years ago were unsound and the inevitable readjustment during the intervening period has not effected a restoration of confidence.

Suggestive Gains

Despite the fact that the index was lower in December than in the preceding month there were several suggestive gains among the component factors. Shipments of gold from Canadian mines made a new record in the last month of the year, having shown considerable expansion in operations over 1930. Exports of copper from Canadian mines were 8,851,700 pounds in December compared with 4,586,000 in the preceding month. Nickel exports at 3,512,300 pounds showed a gain of nearly 4 per cent in this comparison.

December is normally the least active month for the automobile industry but last year more cars were produced than in either October or November. The consequent gain after adjustment for seasonal tendencies was therefore considerable, having a constructive influence for the month. The operations of the steel industry continued at a depressed level, one blast furnace only being in operation. The production of steel ingots showed a decline of 62.6 per cent from the level of the same month of 1930.

Contracts Fall Sharply

The value of construction contracts awarded dropped to $11,357,300, a marked reduction from the preceding month even after seasonal adjustment. In no other month during the year had the total been less than $20,000,000, whereas awards during each of the first three months are normally less than in December.

Revenue freight movement after seasonal adjustment showed a moderate improvement in December over the preceding month, the number of cars loaded being 185,018. Carloadings in December, 1930, numbered 204,927 and 12-month comparisons will now tend to become more favorable due to the low levels of operation during the past year.

Of the 18 factors considered here eight showed an increase in December over the preceding month The net result was that the index was 99.6 in December compared with 102.8 in November. The index in December was consequently below the average for the base period extending from 1919 to 1924 inclusive.

The decline in the index from January to December was nearly 24 per cent and the duplication of this reaction during 1932, viewed from the present outlook, is beyond the bounds of probability. Owing to the uncertainty in the world economy occasioned by the elections in Germany and the United States which will be held during the present year and by the international conferences on intergovernmental debt and disarmament, business operations will doubtless be hesitant for a time.

The firm tendency of wholesale prices in Canada during the last quarter of 1931 was one of the constructive factors pointing to the lifting of the depression within a reasonable time, but a compensating factor on the reactionary side is the difficulty of obtaining long-term credit due mainly to lack of confidence and the depreciation of the Canadian dollar.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1932	Weekly Latest 1931	Cumulative Jan. 1 to date 1932	Cumulative Jan. 1 to date 1931
Transportation—				
Car Loadings (Jan. 9)	38,784	36,349	......	......
C.P.R. gross earn. (Jan. 14)	$ 2,001,000	$ 2,538,000	$ 4,005,000	$ 5,005,000
C.N.R. gross earn. (Jan. 7)	$ 2,381,077	$ 2,775,684	......	......
	Monthly 1931	1930	1931	1930
C.P.R. net earn. Nov.	$ 4,774,625	$ 4,985,754	$ 24,087,291	$ 34,483,960
C.N.R. net earn. Nov.	$ 2,084,481	$ 2,074,415	$ 7,491,999	$ 25,778,062
Iron and Steel—				
Pig Iron, tons (Nov.)	14,292	46,360	406,176	709,155
Steel, tons (Nov.)	28,337	71,740	650,118	955,642
Automobiles prod. No. (Nov.)	1,247	5,407	80,182	148,570
" exports, No. (Nov.)	480	2,663	14,236	41,653
Construction—				
Building Permits (Nov.)	$ 7,992,815	$ 11,791,478	$ 103,604,484	$ 150,909,230
Contracts (December)	$ 11,257,300	$ 24,542,300	$ 315,482,000	$ 456,999,600
Newsprint—				
Production, tons (Dec.)	165,178	184,755	2,198,294	2,504,146
Exports, tons (Nov.)	171,151	173,149	1,846,408	2,105,516
Sugar—				
Imports, raw, lbs. (Nov.)	70,656,900	62,352,200	752,021,400	769,699,400
Manufactured, lbs.*	124,419,989	108,558,920	920,519,572	876,818,072
Flour—				
Production, bbls. (Oct.)	1,693,925	1,868,575	12,510,606	13,679,945
Wheat, bbls. (Nov.)	476,487	792,271	5,245,914	9,328,660
Other Industrial Indices—				
Lumbering: Plank & board exports mill. bd. ft. (Nov.)	68.18	104.10	881.16	1,394.64
Boots & Shoes pr. (Nov.)	1,254,696	1,124,798	16,544,082	16,023,190
Petroleum, crude, gal., (Nov.)	93,140,000	74,970,000	955,549,333	942,393,131
Cotton, imp., raw, lbs. (Nov.)	15,451,000	15,786,000	83,373,602	88,140,000
Rubber, raw, imp., lbs. (Nov.)	2,761,273	4,766,980	51,089,470	61,475,499
Coal, imports, tons (Nov.)	1,414,082	1,571,487	12,506,644	16,396,942
Trade—				
Imports (December)	$ 40,289,795	$ 60,337,934	$ 628,133,576	$1,008,692,778
Exports (December)	$ 53,255,476	$ 66,819,668	$ 605,480,918	$ 885,906,366
Wheat exports, bus. (Nov.)	27,452,063	31,217,624	172,508,738	185,530,670
Labor—				
Employment Index (Dec.)	99.1	108.5	....	....
Electric Power—Output—				
M. Kilowatt hours (Nov.)	1,387,317	1,515,403	14,920,386	16,261,264
Finance—				
Failures, No. (Oct.)	226	216	1,807	1,941
Failures, Liabilities (Oct.)	$ 12,878,396	$ 4,017,101	$ 45,260,019	$ 40,565,515
Bank Debits (Nov.)	$ †2,841,332	$ †2,973,627	$ †28,948,345	$ †34,479,077
Bond Sales (Dec.)	$ 815,760	$ 45,941,154	$1,243,738,939	$ 763,022,807
Insurance Sales (Nov.)	$ 38,860,000	$ 46,868,000	$ 442,149,000	$ 518,182,000
Automobile Financing:				
Used Cars (Nov.)	$ 1,153,811	$ 2,221,134	$ 20,049,357	$ 32,025,659
New Cars (Nov.)	$ 976,658	$ 816,948	$ 20,041,068	$ 27,997,753

*Four weeks' period Nov. 14 to Dec. 5.
†(000's omitted).

GIVES REASONS FOR CLOSING PLANT

Manager Imperial Tobacco, Newfoundland Company, Explains

Closing down of the St. John's, Newfoundland, plant of Imperial Tobacco Company (Newfoundland Ltd.) involves unemployment for 114 men, according to R. M. Patterson, manager for the company.

Reasons for closing the plant, according to Mr. Patterson, were three in number and order of importance were as follows: Lack of proper protection, failure to properly enforce the Customs Act and consequently the smuggling of cigarettes into this country and third, the present depressed industrial situation.

As to lack of protection, it was pointed out that the total duty on tobacco imported into Newfoundland is 44½c per pound. On locally-made tobacco, the excise payable to the Government is 34c per pound. In addition, locally-given labor and sales tax on the leaf is 12.34c per pound while municipal taxation adds another 1.53c. In short, according to the St. John's Daily News, imported tobacco is worth to the colony 44½c and locally-made tobacco 47.87c. This means that locally-manufactured tobacco is discriminated against to the amount of 3.37c per pound.

The figures in Canada are given as: duty 95c per pound; excise on locally-manufactured tobacco, 20c, leaving a difference of 75c per pound as against, in Newfoundland, a duty of 44½c and excise 34c, or a difference of 10c.

DEFENDS DROPPING OF GOLD STANDARD

Sir Josiah Stamp Says Action Was Absolute Necessity

Strong denunciation was made recently by Sir Josiah Stamp, noted British banker and economist, of the doctrine obtaining in some quarters in the United States that Britain had suspended the gold standard without necessity.

This was "profoundly wrong," said Sir Josiah, who pointed out that any other action, such as increasing the bank rate rapidly, would have increased foreign apprehension, while the desire to withdraw balances quickly would have been a source of equal danger at an early date.

"It probably is true," he said, "that, if two years ago, the country had been forced to adopt measures which have been enforced recently in desperation (the tariff duties) the departure of Britain from the gold standard might have been delayed for some time. But it is doubtful if it could have been permanently avoided," he said.

Lithographing Report Makes First Appearance

Products valued at $13,697,000 were produced by the lithographing industry of Canada in 1930, according to a report analyzing this industry individually for the first time, issued by the Dominion Bureau of Statistics.

Forty-six firms are included with an invested capital of $17,111,000. Of the total number of plants, 30 were in Ontario, 9 in Quebec, 4 in British Columbia, 2 in Manitoba and 1 in Nova Scotia. A year ago, there were only 43 plants with a capital of $13,633,000 and products valued at $13,136,000. The chief product was job printing valued at $8,949,000 and calendars valued at $1,960,000.

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BRUNEAU & RAINVILLE
G.-H. Rainville
Arthur Bruneau
J.-Z. Langevin
Paul Gélinas
Rhéal-V. Langevin

GEOFFRION & CO
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Tancrède-M. Bienvenu

January 16, 1932

Operating Results of
THE
MUTUAL LIFE
Assurance Company
OF CANADA
for the Year Ending December 31st, 1931

▼ ▼ ▼

PROFIT AND LOSS ACCOUNT
REVENUE BASIS

Surplus Funds as at December 31st, 1930, consisting of:			
General Investment Reserve		$ 1,326,490.94	
Free Surplus for Contingencies		4,302,022.96	$ 5,628,513.90
INCOME			
Premiums (net)	$18,879,019.95		
Interest and Rents (after deduction of $394,287.16 for possible loss of interest on Farm Mortgages)	6,489,518.58		
Supplementary Contracts	2,396,089.85		
Profit and Appreciation on Ledger Assets	35,954.28	$27,800,582.66	
EXPENDITURES AND RESERVES			
Death and Disability Claims, Matured Endowments, Surrendered Policies, Supplementary Contracts, etc.	$ 9,683,463.08		
Increase in Actuarial Reserve and Amounts Left on Deposit	9,007,263.65		
Commissions, Taxes and General Expenses	3,482,247.27		
Loss and Depreciation on Ledger Assets	113,928.66		
Amounts Written Off Head Office Premises	50,000.00	22,336,902.66	
Surplus Earnings for Year		$ 5,463,680.00	
Special Charges:			
Additional Specific Reserve against Loss of Principal on Mortgages and Sale Agreements	$ 314,862.43		
Amounts Written Off Book Value of Bonds as Provision for Possible Losses	500,000.00	814,862.43	
Net Amount Transferred to Surplus Funds		$ 4,648,817.57	4,648,817.57
TOTAL			$10,277,331.47
Deduct:			
Surplus Paid or Allotted to Policyholders		$ 4,773,173.71	
Provision for Staff Pensions		139,323.00	$ 4,912,496.71
Surplus Funds as at December 31st, 1931, consisting of:			
General Investment Reserve		$ 826,490.94	
Free Surplus for Contingencies		4,538,343.82	$ 5,364,834.76

▼ ▼ ▼

Outstanding features of 1931 Statement:

Surplus funds and Contingency Reserves	$ 12,412,836.25
Dividends paid Policyholders	$ 4,989,562.37
Total Assets	$125,848,128.74
New Assurances paid-for	$ 53,193,505.00
Assurances in force December 31st, 1931	$513,379,937.00

Lowest Expense Ratio in the Company's History.
Death losses were well within the expected.
Surplus earnings per $1,000 of total assets were **$43.41.**

▼ ▼ ▼

The highly satisfactory results of the operations of the past year permit the payment to policyholders during 1932 of the same high dividends as were paid during the year 1931, but the usual annual increase will not be made in 1932.

▼ ▼ ▼

A Purely Mutual Company
Established 1869
RECORD OF PROGRESS

Year	Income	Assets	Paid to Policyholders	Business in Force
1891	$547,620	$1,941,570	$211,607	$14,934,807
1911	$3,329,541	$18,161,847	$978,100	$71,020,770
1931	$27,530,942	$125,848,128	$14,664,372	$513,379,937

The 62nd Annual Meeting of the Policyholders will be held on Thursday, February 4th, 1932, at the Head Office, Waterloo, Ontario.

R. O. McCulloch, *President*
Louis L. Lang, *First Vice-President*
C. M. Bowman, *Chairman of the Board*
W. H. Somerville, *General Manager*

DIVIDEND NOTICES

McIntyre Porcupine Mines, Limited

(No Personal Liability)

DIVIDEND NO. 53

Notice is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on the 1st day of March, 1932, to shareholders of record at the close of business on February 1, 1932.

By order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, January 14, 1932.

Frost Steel and Wire Company Limited

Quarterly Dividend on First Pref. Shares

At the Meeting of our Board of Directors held today the quarterly dividend of 1¾% was declared on the First Pref. Shares, for the quarter ending January 31st, payable February 1st, to shareholders of record at the close of business January 20th, 1932. (No dividend was declared on the Class "A" shares.)

C. A. SMITH,
Secretary.

Hamilton, Jany. 15, 1932.

Borden's

COMMON DIVIDEND NO. 88

A quarterly dividend of seventy-five cents (75¢) per share has been declared on the outstanding common stock of this Company, payable March 1st, 1932, to stockholders of record at the close of business February 15th, 1932. Checks will be mailed.

The Borden Company
WM. P. MARSH, *Treasurer.*

THE DOMINION BANK

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 27th January, 1932, at twelve o'clock noon.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 17th December, 1931.

GEORGE WESTON LIMITED

Preferred Dividend Number 16

NOTICE is hereby given that a Dividend of one and three-quarters per cent. for the three months ending 31st January, 1932 (being at the rate of Seven per cent. per annum), has been declared on the 7% Cumulative Redeemable Preference Shares of the Company, and will be payable on and after February 1st, 1932, to the Preferred Shareholders of record at the close of business on the 20th day of January, 1932.

CHARLES W. KERR,
Secretary.

Toronto, January 12th, 1932.

The Royal Bank of Canada

DIVIDEND NO. 178.

NOTICE is hereby given that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday, the first day of March next, to shareholders of record at the close of business on the 30th day of January.

By order of the Board.

M. W. WILSON,
General Manager.

MONTREAL, Que., Jan. 15, 1932.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada)

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared a quarterly cash dividend of 25 cents per share on the Company's issued Ordinary Shares of no par value, payable on 1st March, 1932, to shareholders of record on the registers at the close of business on the 30th January, 1932.

DATED at Toronto, Canada, the 14th day of January, 1932.

By Order of the Board,

A. W. ADAMS,
Secretary.

NOTE:

The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The Company's London Agents are Canadian and General Finance Company, Limited, 3 London Wall Buildings, London E.C.2, England.

Dominion Bridge Company, Ltd.

DIVIDEND NOTICE

Directors of Dominion Bridge Company, Limited, at the Meeting today gave careful consideration to earnings and business prospects.

The Directors feel assured that earnings will provide for a Dividend of 62½c per quarter for the first half of the fiscal year and deem it proper that all Shareholders be advised of these conditions and of the dividends that Shareholders will receive on the 15th February and on the 16th May.

The Directors have, therefore, declared a dividend of 62½c per share payable on the 15th February, 1932, to Shareholders of record at the close of business on the 30th January, 1932, and a dividend of 62½c per share payable on the 16th May, 1932, to Shareholders of record at the close of business on the 30th April, 1932.

By Order of the Board.

F. W. EVENS,
Secretary.

Montreal, P.Q., 12th January, 1932.

The Guelph Carpet and Worsted Spinning Mills Limited

PREFERRED DIVIDEND No. 11

Notice is hereby given that a dividend of one and five-eighths per cent (1⅝%), being at the rate of six and one-half per cent (6½%) per annum, has been declared upon the outstanding 6½% Cumulative Convertible Preferred Shares of The Guelph Carpet and Worsted Spinning Mills Limited, for the three months ended January 31st, 1932, payable February 1st, 1932, to shareholders of record at the close of business January 20th, 1932.

By order of the Board,

B. F. GRIGGS,
Secretary-Treasurer.

Guelph, Ont., January 14th, 1932.

TOR. MORTGAGE IN 1931 SHOWED PROFIT INCREASE

Balance Carried Forward to 1932 Exceeds $78,000

Profits of Toronto Mortgage Co. for the year ended December 31, 1931, amounted to $133,000, showing an increase of nearly $13,000 over the preceding year. Earnings are equal to $6.74 per share ($50 par value), as against $6.16 in 1930. The regular dividend of 12 per cent was thus easily maintained, and after payment thereof a surplus of $14,991 was carried to profit and loss account, bringing the total carried forward up to $78,364. These figures reflect a higher volume of business made possible by the increase of capital made in 1930.

For the twenty-fifth year in succession the company completed the year having no real estate on its hands for sale, through default or otherwise.

Assets Higher

Total assets at $4,880,207 show an increase over the preceding year of $276,000. Included in these are mortgages, at face value less provision for possible depreciation, valued at $4,291,672, an increase of $305,000 over the previous year; government and other securities to the value of $345,198 are approximately $40,000 higher than 1930. Cash at $77,445 compares with $161,526 for this item a year ago.

Sterling debentures are increased from $1,694,775 to $1,874,233. Debentures issued in Canada are slightly higher at $610,985, comparing with $561,390 last year. Savings deposits are up from $92,966 to $94,285. Accrued interest and tax reserves bring the total liabilities to the public to $2,620,703 as compared with $2,385,583 a year ago.

Subscribed stock is now fully paid at $986,500. The reserve, which stood at $1,151,154 at the end of 1930 is now $1,165,002, the difference of $13,848 representing the premium paid on new stock.

The following is a comparative income and surplus account for the last two years:

Income and Surplus Account, Years Ended Dec. 31

	1931 $	1930 $
Earnings	312,188	279,718
Less: Int. on ster. debs.	90,984	80,477
Int. on curr. debs.	29,776	28,532
Int. on deposits	3,299	2,996
Chgs. on moneys	11,083	11,901
Management exp.	27,291	26,834
Dom., prv. & mun. taxes	16,706	8,793
Net profit	132,999	120,185
Less appropriations		
Dividends	118,008	104,895
Surplus for year	14,991	15,290
Add: Previous surplus	63,373	49,083
Less: Trans. to reserve.	......	......
Don. to Tor. Gen. Hosp.	......	1,000
Bal. carried forward	78,364	63,373
Earnings per Share and Dividend Record:		
Earned*	$6.74	$6.16
Paid	6.00	6.00

*Based on the fully paid-up capital stock, nearest number of shares.

Gain in U. S. Tourists Visiting New Brunswick

From Our Own Correspondent

MONTREAL.—United States cars entering New Brunswick in 1931 showed a gain of 8 per cent over the number reported in 1930, according to reports issued by the new Brunswick Government Bureau of Information and Tourist Travel. The actual gain over the figures for 1930 reached 4,515, bringing the previous high of 54,068 to the new level of 58,583 for 1931.

The unusual December activity in United States motor travel in New Brunswick has no doubt been induced by a peculiar combination of circumstances. While the present financial relationship is greatly enhanced by the value of the United States dollar on the Canadian market, this inducement to enter the Dominion at this time has been served by the absence of any amount of snow on the traffic lanes leading from United States cities to the international boundary.

Heads Edmonton Underwriters

At the annual meeting of the Edmonton Life Underwriters' Association held recently, E. L. Churchill, C.L.U., of the Great-West Life, was elected president.

DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 202

Notice is hereby given that a Dividend of Three per cent upon the Paid-Up Capital stock of this Bank has been declared for the current quarter, and the same will be payable at the bank and its branches, on and after the first day of March next, to shareholders of record on February fifteenth, 1932.

By Order of the Board.

H. B. HENWOOD,
General Manager.

Toronto, January 13th, 1932.

NOTICES

NOTICE

SISCOE GOLD MINES LIMITED

The Directors of SISCOE GOLD MINES LIMITED propose to send out to shareholders at an early date the Financial Report for the year 1931, and in order that all persons owning shares in the Company will personally receive the report and be entitled to vote at the Annual Meeting to be held in the month of March, it is considered advisable to suggest to owners of the Company's Stock whose shares are registered in the names of others, have them registered in their own name.

The Annual General Meeting of the Shareholders of

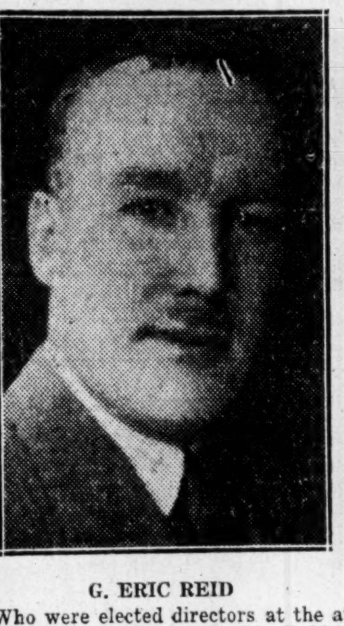
David and Frere Limitee

will be held in the offices of the Company, 1930 Champlain Street, Montreal, on Friday, January 29th, 1932, at the hour of three o'clock in the afternoon, for the purpose of receiving the report of the Directors covering the operations of the Company for the period ending December 31st, 1931, the approval of the acts of the Directors, the election of the Directors, and any other business which may be brought before the Meeting.

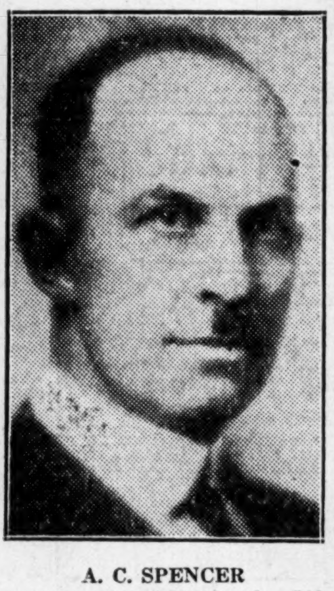
L. R. PHILIE,
Secretary-Treasurer.

Montreal, January 12th, 1932.

Elected to Board of London Life



G. ERIC REID



A. C. SPENCER

Who were elected directors at the annual meeting of The London Life Insurance Co. this week. Mr. Reid is the son of a former director, the late George M. Reid, and fills the vacancy caused by the death of A. M. Smart.

Mr. Spencer is a son of the late W. M. Spencer, first vice-president, and succeeds his father as a member of the board.

Recapitalization Plan Atlantic Sugar Dropped

Extreme Diversity of Opinion as to Scheme of Arrangement Given as Reason — Trust Deed Obstacles to Dividends Will Clear Up Automatically by Oct., 1934

The Financial Post understands that the promoters of the scheme of arrangement whereby shareholders of Atlantic Sugar Refineries would get dividends earlier than is possible under the present trust deed, have decided to abandon their efforts for the time being. There have been so many suggestions as to what the scheme of arrangement should consist of, that the principal interests have decided that it would be difficult to secure unanimity.

An additional reason given for abandoning the scheme is that the promoters realize that, in the ordinary course of events, dividends will begin in about two years in any case. One of the provisions of the trust deed is that dividends cannot start until the funded debt is reduced to $3,000,000. At the end of 1930 the funded debt stood at $3,821,247, and according to the provisions of the trust deed the funded debt will not be reduced to $3,000,000 or less until October 1, 1934. From 1933 to 1940 an amount of $400,000 shall be applied yearly to interest and sinking fund.

Arrears Are $82.25

Arrears of dividend on July 1, 1932, on preferred shares will amount to $82.25 per share. The plan submitted by A. W. Holmstead, acting for a group of preferred shareholders, received the support of a large number of preferred shareholders, The Financial Post is informed, but the different opinions expressed as to the proper method have led to a dropping of the effort to convince everybody.

Holmsted Plan Given

The full wording of the Holmsted plan has not yet been published and many shareholders objecting are stated to have not had the full facts. In view of the possibility of other preferred shareholders renewing the effort to reorganize so that dividends can be paid immediately, The Financial Post here gives the plan in full as submitted to some of the largest shareholders:

1. That all unissued preferred stock shall be cancelled.

2. That each share of the issued preferred stock shall be converted into four shares of preferred stock of the par value of $25 per share which will entitle the holders thereof—

(a) To receive a fixed cumulative preferential dividend thereon from July 1, 1932, at the rate of 7 per cent per annum, payable quarterly.

(b) In addition to such preferential dividend, to participate equally with the holders of common stock in all dividends paid on the common stock up to but not over $1.25 per share per annum.

(c) In the event of voluntary or involuntary liquidation, to receive, in priority to the holders of common stock:

(1) The par value of their shares.

(2) The amount of all arrears, if any, of preferential dividends accruing from July 1, 1932.

(3) $20.56 per share as representing all arrears of dividends to July 1, 1932, less the amount of any dividend which the holders of preferred stock might previously have received by way of the participating dividend of $1.25 above referred to.

Giving Common a Chance

The opposition came from preferred shareholders who feared that they were losing some of their rights to preferred dividends on behalf of the common stock. On the other hand the promoters point out that, in lieu of $82.25 arrears on July 1 next, a sum which could only be paid over a long period in any case, present preferred shareholders would be given a 7 per cent security with a participating provision which made it possible to get in good years an equivalent of 12 per cent on the old stock. In 1930 the preferred stock earned $44.83 a share and the common $5.33 a share, a situation which would seem to strengthen the opposition contention that arrears should be paid off first were it not that a survey of the last seven years shows earnings as low as $4.93 and only three times over the $20 mark. By wiping off arrears common would participate sooner and it is thought that any advaice in earnings by the company would make the preferred stock worth so much more money because of the possibility of a 12 per cent return that much of the arrears would come back in the way of increased market valuation.

VICTORIA TRUST HAD GOOD YEAR

Earnings But Slightly Below Level of 1930

Victoria Trust and Savings Co. had net earnings of $130,284 for the year ended December 31, 1931, as compared with $140,801 for the previous year. Adding the balance of $22,560 brought forward in the profit and loss account from 1930 and a premium of $9,000 received on the sale of 100 shares of stock, a total of $161,844 was available for distribution.

After deducting $80,428 for dividends, creating an investment reserve of $50,000 transferring $10,000 to reserve, laying aside $9,000 for taxes, and writing $2,000 off office premises, a balance was carried forward of $10,416.

In regard to the new investment reserve the president, William Flavelle, stated to shareholders that this was done in view of continued unsettled conditions and because the reserve fund had already reached a parity with capital, this new fund had been created to provide additional security to depositors and shareholders.

A comparative profit and loss statement for the last two years follows:

Profit and Loss

	1931	1930
Net earnings	$130,284	$140,801
Less:		
Dividends	80,428	80,000
Res. for taxes	9,000	10,000
Written off offices	2,000	2,000
Bal. for.	38,856	48,801
Add: Prev. bal.	22,560	24,759
Prem. of stock	9,000	......
Total	70,416	72,560
Less: Trans. to res.	10,000	50,000
Invest. res.	50,000	......
P. & L. balance	10,416	22,560

R. B. Bennett Warns Against Lapsation

Strong words of caution against policyholders in Canadian life insurance companies abandoning their life insurance policies or allowing them to lapse, were spoken by Rt. Hon. R. B. Bennett at a public luncheon in Toronto this week.

"It is so easy," said Mr. Bennett, "to sow the seeds of suspicion in the minds of men and women and so difficult to eradicate such suspicion that I trust you will realize that our life insurance institutions have sustained a great strain with successful results.

"And unless you are pressed too hard, do not for a moment think of abandoning any of the insurance you hold. Hold to it and remember this that our institutions—our financial and insurance institutions—are subject to a rigid inspection. The completeness of our jurisdiction over all phases of insurance has been questioned by the privy council, but the question of the solvency or insolvency of our life insurance companies is something over which the federal authority has sole control."

Newfoundland Canning Benefits in Many Ways

The 1931 pack of canned lobster from Newfoundland is all in consumption and a new pack will come in on a bare market, according to A. R. Templeton, of the United Can Company, St. John's, Newfoundland. Want of uniformity in pack, says Mr. Templeton, both in size of tin and weight of contents as well as absence of proper supervision still contribute to the loss of foreign markets.

The low price of salmon at St. John's at present has resulted in increased sales. There has been overproduction in this commodity for the past two or three years, and the trade is clearing out salmon at what must be a loss. Last year the wholesale price was $12.50 per case of 48 tins, as against a retail price of eight tins for 20 cents today. This is $3.20 per case retail.

An increasing amount of rabbits are being canned. The price last year was $14.50 per case as against $11.50 this year. An act relating to the canning of rabbits was passed this year, which in Mr. Templeton's opinion must make for the good of this industry. Only four legs and the back of rabbits can now be put up in cans. This eliminates a former practise of putting the ribs into cans. It will now take 40 rabbits to fill a case, instead of 33 as formerly. A packing license has to be first obtained, and the number of the license must be embossed on the cans. Every regulation for the betterment of the canning industry, if properly enforced, will further the interests of this industry.

Ottawa Life Underwriters Elect Association Officers

At the recent annual meeting of the Ottawa Life Underwriters' Association the following officers were elected for 1932: Hugh F. Murray, manager of the North American Life, to be president; P. F. Howe, honorary president; D. W. Morphy and J. A. Beausejour, vice-presidents; H. A. Wetmore, secretary-treasurer.

The executive committee is composed of the following: W. H. Gardiner, J. D. Murray, N. A. Haugh, W. E. N. Hodgins, E. J. Murphy, W. L. Phelan, H. S. Racine and J. M. Roney.

Pulp and Paper Industry

Newsprint Production Lower During December

Disappointing Return Brings Canada's Production in 1931 to Less Than 2,250,000 Tons — United States Output Registers Further Decline

From Our Own Correspondent

MONTREAL.—Newsprint production in Canada during the past month was at a disappointing level, with production amounting to only 165,173 tons, or 51.3 per cent of capacity, according to records compiled by the News Print Service Bureau.

This showing is worse than had been anticipated, and is regarded as a reflection of the restricted volume of advertising carried out during the Christmas season by retailers in the metropolitan areas.

In the preceding month Canadian newsprint production totalled 175,643 tons, or 56.8 per cent of capacity, while for December, 1930, output was 184,755 tons, or 59.5 per cent of capacity.

Annual Output Down

As a consequence of the decline in December output, production for 1931 falls a trifle short of the estimate prepared several weeks ago by The Financial Post. It had been estimated that the 1931 output would aggregate around 2,250,000, or about 250,000 tons less than in 1930, but the actual figures show a production of only 2,230,775 tons, or 58.1 per cent of capacity. For 1930 output amounted to 2,504,147 tons, or 69.4 per cent of capacity.

Turning to the United States, the Bureau reports that American mills produced 93,861 tons, or 62.9 per cent of capacity, in December last. This compared with 94,149 tons or 65.6 per cent of capacity in November and 99,276 tons, or 68.8 per cent in December, 1930.

For the full twelve months last year American mills manufactured 1,157,497 tons, or 65.6 per cent of capacity. This is the lowest figure reported for any year in more than a decade and compares with 1,282,372 tons, or 76 per cent of capacity in 1930.

For all of North America, including Newfoundland and Mexico, the production of newsprint in 1931 was 3,688,450 tons, as against 4,088,064 tons in 1930. No detailed figures are available, as the regular monthly bulletin of the Bureau has not been received by subscribers.

PULP AND PAPER MEET SCHEDULED

Programme is Prepared for Annual Get Together

From Our Own Correspondent

MONTREAL.—Plans have been prepared for the annual convention of the Canadian Pulp and Paper Association on January 27, 28 and 29 in Montreal. There will be a two-day session of the Technical and Woodlands Sections of the Association at which problems relating to those particular branches of the industry will be discussed.

The Technical section will hold its meetings, under the chairmanship of D. L. McLeod. A variety of papers will be presented by members of the Forest Products Laboratories of Canada, and by the Department of Industrial and Cellulose Chemistry of McGill University. Addresses will also be given by Dr. C. H. Herty, of New York, on "Southern Woods for Pulp and Paper," and by H. O. Freeman, president of the Sulphide Research Corporation on "Pyrites in Canada." The annual luncheon of the section will take place on January 27, speakers for the occasion being Dr. C. E. K. Mees, Director of Research for the Eastman Kodak Company, and Sir Arthur Currie, Principal of McGill University.

Woodlands Section Meet

Meetings of the Woodlands section will be held under the chairmanship of J. D. Gilmour. A programme has been prepared covering a variety of topics of great interest to the foresters and those engaged in woods operations. Papers will be presented by members of the section and by others from the Forest Products Laboratories and from McGill University who have co-operated with the section in working out certain problems.

The general annual meeting of the association will be held at the Pulp and Paper Research Institute on Friday morning, January 29, when reports from the chairmen of various trade sections will be received and officers will be elected for the coming year.

Brainerd Elected Member Building Products Board

From Our Own Correspondent

MONTREAL.—Winthrop Brainerd, vice-president of Canadian Industries Ltd., has been elected a director of Building Products Ltd. Mr. Brainerd is also a director of Canadian Industries and its subsidiaries, as well as the Dunlop Tire and Rubber Co. of Canada.

Scandinavian Paper is Dumped on Coast

From Our Own Correspondent

MONTREAL.—Dumping of Scandinavian newsprint at low prices on the Pacific coast presents most serious threats to British Columbia manufacturers, according to a despatch received from Vancouver. Officials of one large paper company declared that the offerings of Scandinavian newsprint were in very small parcels at $41 per ton and that the paper was not up to the standard demanded by Pacific coast consumers.

New Industries and Plant Extensions in Canada

Compiled Weekly
By The Financial Post

Wood Mosaic Co. Inc. of Louisville, Kentucky, has purchased the Woodstock plant of Canada Furniture Manufacturing Co. and will incorporate a Canadian company to be known as Wood Mosaic Co. of Canada to manufacture mosaic floorings, veneers and gothic oak for interior work.

Alberta Neon Sign Corp. have opened a new plant for the manufacture of this type of electric sign at Calgary. M. Witthaus is president of the new company which will employ about 10 men at the start.

Standard Tobacco Co. of Canada has purchased the former Tred-Rite Shoe Co. building at Otterville, Ont., under contract from the village of Otterville. Machinery will be brought in within the next two weeks and the new industry will commence of the manufacture of fine-cut smoking tobacco and cigarettes.

Meaford Canning Plant — 100 citizens and farmers of Meaford and surrounding territory met at Meaford recently to discuss the establishment of a canning factory in the town. Frank Quinn was the chief speaker and he indicated that a building was already available in the town namely one that was formerly a shoe factory. It was suggested that a company be formed and $15,000 subscribed with shares at $10 each.

Walter Motor Truck Co. of Long Island City, New York, has formed a Canadian subsidiary to be called Walter Motor Trucks of Canada which will manufacture the company's products at New Toronto. A section of the plant structure at 18th and Town's Sts., New Toronto, has been leased. J. S. Innes Ltd. which has represented the Walter Co. in Canada for some time will continue as Canadian distributors.

DRYDEN PAPER CO. OUTLOOK ONLY FAIR

President Says Interest Will Likely be Covered in 1932

From Our Own Correspondent

MONTREAL.—Though there was no sign of improvement in business at present, J. H. A. Acer, president, told the shareholders of Dryden Paper Co. at the annual Meeting, that he thought the company would be able to meet its bond interest as usual during the current year. This covers payment on an outstanding amount of $1,500,000 of bonds.

Efforts are being made to create a broader market for paper flour bags, according to Mr. Acer, but these have been hampered by keener competition resulting from a sharp deflation in prices of cotton and jute.

Make Flour Bags

In addition to the business of manufacturing paper bags as cement containers, bags for holding flour were being sold to a mill at Midland, Ontario, and were also tried out by the Western Canada Flour Mill at St. Boniface, Manitoba.

Any improvement in the prices of jute and cotton, said Mr. Acer, would give the Dryden an advantage. Some attention was also being paid to the development of paper bags for holding sugar, for the use of refiners on the Pacific Coast. High freight rate, however, tended to keep out Eastern bag manufacturers.

Warm Weather Holds Up Maritime Logging Activity

From Our Own Correspondent

MONTREAL — Unseasonable weather has seriously interfered with logging operations both in New Brunswick and Nova Scotia. In Cumberland and Colchester counties in Nova Scotia logging operations have ceased, but with the expected advent of colder weather these operations in all probability will be continued.

In New Brunswick in the district centring around Woodstock, although lack of snow is hampering the operations of the lumbermen, one of the larger mills in that district is continuing cutting and plans to commence sawing shortly.

Newfoundland Paper Exports Maintained

From Our Own Correspondent

MONTREAL—An increase in volume and a slight decline in dollar value, are noted in exports of newsprint from Newfoundland to the United States during the first nine months of 1931 in comparison with the same period of the previous year. Between January and September last year, Newfoundland sent to the United States 130,786 tons of newsprint, having a value of $7,013,901. For the same months of 1930 shipments aggregated 125,565 tons, worth $7,107,999.

These figures do not include exports of newsprint to the United Kingdom which are fairly substantial, though not as extensive as those to the United States.

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

Sutcliffe Company Ltd.
CONSULTING ENGINEERS
and
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INSURANCE ORDER PRAISED AT OTTAWA

Valuation Plan Believed to Have Stabilizing Influence

Praise of the recent order-in-council regarding insurance valuations is given editorially by the Ottawa Citizen as follows:

"To the outside public, the rather technical order-in-council passed the other day concerning insurance companies means little. To the companies, it means much. They get huge amounts of money in premiums. They invest it in securities. The value of these securities must be in proportion to the amount of obligations to policyholders. An efficient superintendent of insurance sees to it that proper equilibrium is maintained.

"Some companies had great holdings in common stocks. When the market was buoyant, they were in high affluence. Values rose to staggering amounts. Then the crash came and things went the other way. The declines have been enormous.

"This new order, averaging values of five-quarter periods, is an attempt to consider the values of stocks more than their prices from day to day. One company in particular has been subjected to a series of virulent attacks of questionable motive.

The new policy, following the usage in the States, is alike stabilizing in its effect and an assurance of solvency of concerns which are basic financial institutions of the country. In the remolding of the Insurance Act this session it will all be discussed."

Metal Prices

New York—January 19—
Copper: Electrolytic spot, 7¼c. lb.
London—January 19—
(Long Ton)—
Copper: Electrolytic spot, £46 10s; future, £47 10s.
Standard spot, £39 7s 6d; future, £39 7s 6d.
Tin: Spot, £141 2s 6d; future, £144 5s.
Lead: Spot, £15; future, £15.
Zinc: Spot, £14 5s; future, £14 12s 6d.
Siler: 19 1-16d. per ounce.

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as well as
a name
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MONTREAL:
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District Sales Office:
TORONTO:
1206 Northern Ontario Building

The Most Widely Quoted
Editorial Column in Canada
"The Nation's Business"
First Column on Page One

OSLER, HAMMOND & NANTON
Stock Brokers
WINNIPEG
MEMBERS
Montreal Stock Exchange
Montreal Curb Market
Winnipeg Stock Exchange

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba
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News Sulphite Pulp
High Grade Bleached Sulphite Pulp

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Investor Asks Lists For 13 Years' Hold

Commitments Should Not be for So Long Without Provisions for Changing Securities as Events Make It Advisable—$10,000 to Invest

I have to invest $10,000 in good sound stocks and this $10,000 is payable during 13 years and two months on the base of $690 yearly, said stocks to be given as collateral security during the period of reimbursement.

As you will see by the list submitted, the yield of these stocks would be around 7.14 per cent. I would like that you point out those which in your opinion, it would not be advisable to buy and submit others which in your opinion, would be more profitable and subject to appreciate in value during the mentioned period of thirteen years. You will notice that two of the stocks mentioned give no dividend namely: The Winnipeg Electric and Ford of Canada, but I have thought that on a certain period, these stocks would find a better price and they will be in position again to declare dividends.

	Price	Yield
Brazilian Traction ..	11 1/8	8.99%
British Columbia Power Class "A" .	26.-	7.69
Dominion Stores ...	18.-	6.66
Imperial Oil	10.-	5 %
Int. Utility, Class "A"	16.50	21.21
Ford of Canada	10.	nil
Dominion of Canada	2000.-	5.25

I have to get a return in dividends of $700 at least to comply with the conditions of reimbursement.

We think that it would be a mistake for you to invest $10,000 even in good sound stocks with the idea that it can be left untouched during 13 years. If you look back over the experience of any decade of this century, you will see that events, which could not possibly be foreseen, have interfered largely with the value and return of securities of companies which, at the beginning of such decades, had been regarded as very strong. Changes in management, in markets, in processes, in currency values, in political systems, and in the number of competitors are always exerting a steady influence on companies. Some of them are bound to progress and become stronger in spite of all that may occur.

There should be some arrangement made by which collateral could be changed at any time during the 13 years, if events began to happen which appeared to be affecting the safety of any of the securities held.

Practically all of the securities mentioned, in your list have situations which make prospective advances probable or possible. One, however, should not consider the good record of Brazilian Traction as an earner and dividend payer alone, nor consider its prospects for expansion in its field in Brazil solely without reference to the fact that the country is at present suffering a very severe depression, that its currency dropped from around 11 to below 6 though slightly higher at the moment, and that recovery will probably be a matter of slow growth. So long as general business does improve and if the exchange value of the milreis does not drop further, the distinct attractions of the stock in itself will get increasing attention.

British Columbia Power, Class "A" stock, should be brought by those who have firm faith in the advancement of British Columbia and who have been impressed by the record of increasing power demands from Vancouver.

There were at the end of 1930 and still are 277,715 no par value common shares of Dominion Stores outstanding. There were 526 stores in operation at the end of 1930 and it is understood to have in the neighborhood of 560 stores at present. For a time it may be considered that the company's expansion programme is over and that it is now trying to consolidate the important extensions made in the last decade. It has recently turned back in a bonus dividend payment to its shareholders part of the money reserved for further expansion. In other words, the directors consider that the present condition of business is not considered suitable for establishing many more stores. In 1930, the company earned $1.91 a share and it has been paying at the regular rate of $1.20 a share. It has been paying in United States funds which currently add 20 per cent to the payments made. The last quarterly payment consisted of 30c. regular payment, 30c. bonus payment in United States funds.

Working capital position of the company is strong. In the first eleven months of the current year, there was an increase in sales of 5.31 per cent, cash assets at the end of September amounted to $1,730,257 consisting of cash, call loans, and province of Ontario bonds. Part of this may have been paid out in a bonus dividend but it would still leave the position very strong.

To conclude, advancement for a decade has been steady and up to the present moment there seems to be no halt in the improvement of its affairs. If it shows as important advances in the next 13 years as it has in the last seven or eight years such as a hold would be of great benefit to the holders. But this or any other security will have to be watched each year of the whole 13 years' period.

Imperial Oil is the leading Canadian Oil Company and is in the business all the way from drilling for oil in Peru and Colombia until gasoline is placed in the tanks of customers from service stations in Canada. Sixty per cent of the 50c. dividend comes from outside Canada and it is believed that its dividends have been well protected this year. Its situation will probably be improved as the world over-production of crude oil gradually corrects itself. That situation is still threatening, however.

International Utilities Class "A" stock, has just passed its quarterly dividend and resumption will probably depend on American Equity Companies' assets being well absorbed into those of International Utilities. A great proportion of American Equity Companies' investments are of a non-income nature, but offer the hope that there may be developments of benefit to the class "A" stock. Dividends have to be paid on the class "A" stock before the class "B" enters in. The company in the years ahead will make many important investments and neither the directors nor ourselves know what many of these will be. It also therefore needs constant watching.

Ford of Canada has just stopped paying its dividends and a purchase of this stock must be made on faith based on the exceptionally fine dividend record of the company in the past, the very strong financial position and the expectation that its new cars in future years will continue to receive wide acceptance from the public. It also counts on the present depression ending within a few years and being followed by a higher total of business.

Abitibi Common

We have been subscribers to your paper for considerable number of years now, and, we would appreciate any information you could give us regarding Abitibi Pulp and Paper Co. stock and the advisability of purchasing same at present levels, or any other information available.

Abitibi Pulp and Paper Co. has been resisting the downward business trend so far better than most other pulp and paper companies, but until business improves and orders permit much greater production than at present it will be a difficult thing from the investment point of view to decide when or if to buy the common stocks. Two preferred issues senior to the common stock must resume dividends before the common stock will have a change.

Wants a Market

A client of mine owns the following bonds left her by an estate, and she has not the slightest idea as to their present market value. Will appreciate it, if you can give me this information, as she is badly in need of money, but does not wish to take too big a loss.

Interlake Transportation S. S. 6 per cent, $2,000.
Randolph Hotel Co., 6½ per cent, $2,000.
Can. Nat. Railways, 4½ per cent, $1,000.
Montreal Rail & Water, 6½ per cent, $500.
Bay & Adelaide Garage, 6½ per cent, $1,000.
Adelaide & Peter Bldg., 6½ per cent, $1,500.
Bay St., St. Albans Ltd., 6½ per cent, $1,000.
Bay Cumberland Ltd., 6½ per cent, $2,500.
Oshawa Bldg., Ltd., 6½ per cent, $500.
Metropolitan Bldg., 7 per cent, $500.
Viceroy Manfg. Co., 6½ per cent, $2,000.

The list of bonds of your client lacks marketability with the possible exception of C. N. R. 4½'s on which current list price ranges from 88 to 91¼, depending upon maturity which you do not state in your letter. Other bonds on the list which have relatively the best markets are the Randolph Hotel 6½'s which might be sold around 93 and the Metropolitan Building 7's which might be sold at about 90. There is a very narrow market, however, on these securities.

There is no market for the Bay & Adelaide Garage 6½'s which might be nominally valued at 70 to 75. The company is barely earning its bond interest but sinking fund was up to date at the end of the last fiscal year.

The nominal market on Adelaide & Peter Building 6½'s is 85 to 90 with no demand, but the building is 100 per cent rented and interest and sinking fund have been paid to date. The company is in a relatively strong position.

In the case of Bay St. St. Albans, Ltd., the nominal market is 80 to 85 and sinking fund is in arrears six months. In this company the tenants of the building are also owners of the common stock and second mortgage bonds and it would appear that in order to maintain their equity no default would be allowed to occur. The Bay Cumberland, Ltd., 6½'s have a nominal market of 80 to 85. The company has settled sinking fund and interest payment up to date and has recently closed a five year lease with Hudson-Essex Distributors, Ltd., which considerably improved the position of the company.

The 6½ per cent bonds of Viceroy Mfg. Co. have a nominal market of 90 to 95 but the issue has not been all distributed. The company is stated to be showing a better earning statement than estimates made at the time the bonds were originally offered.

Interlake Transportation 6's are quoted at 93-97, but there is no demand except for sinking fund purposes on account of which last sale of the bonds was made at 96.

Montreal Rail & Water Terminal 6½'s went into default interest on August 1, 1931, and a protective committee was formed of which W. G. Lasher, 40 Wall Street, New York City, is secretary.

Western Can. Flour

I would thank you to send me a report on Western Canada Flour Mills Ltd., as I hold stock in it and am in a quandary as to what I can or should do.

Western Canada Flour Mills Co. has paid common dividends until 1931 at varying rates, and occasionally with large bonuses, in every year since 1905. Preference stock was issued in 1926, and dividends have been paid regularly since on that stock.

The common dividend, however, has not been paid since March 15, 1931. This drop is entirely a result of the extraordinarily difficult condition obtaining in the export market, many European countries putting up very high tariffs against Canadian and American products.

At the end of its fiscal year, August 31, 1931, the company had a strong working capital position with no bank loans and no funded debt. The surplus has been a little reduced in the last two years by payment of dividends. Much depends upon arrangements made with Great Britain this year.

Riverside Defaults

I had about $6,000 worth of town of Riverside debentures, coupons due in September. The bankers returned them with the comment that no provision had been made for payment, and no information was forthcoming from the municipality.

On this I wrote the Municipal Clerk. No reply has been received.

Can you give me the details of the situation?

The broad outline of the Riverside default situation is that with a population of some 4,600 there is an assessment of $6,000,000 and a debt burden of $2,750,000. Tax collections in 1931 amounted to only 37 per cent of the tax roll and while efforts are being made to increase tax collections and cut down expenditures of the town the readjustment of debenture debts will be necessary which will permit spreading payment over a long term of years.

As in the case of some of the other border cities, the town underwent a too rapid expansion which resulted in a good deal of inflation of values.

H. L. Cummings, municipal law officer of the Attorney-General's Department, has been keeping closely in touch with the situation, but Riverside was in so deep that a default was unavoidable.

Can. Gen. Investment

A friend of our company's made some enquiries in regard to his holdings in General Investment Trusts, Ltd., but as we did not have the information available to express an opinion, perhaps you would let us have the benefit of your advice in this matter.

It seems that he bought fifty shares of Second General Investment Trust at $100 each. Under the reissue of shares which took place, he now has a larger number of shares in the General Investment Trusts, Ltd.. which he states are quoted at $5.50 a share, paying an annual dividend of 80c per share. He thus shows quite a loss on his purchase price.

He is inclined to double up on his purchases at market to bring down his average cost. Would he, in your opinion, be wise in doing so?

If it is not too much trouble, we would appreciate your giving some of the reasons for or against such action.

Second Canadian General Investments, Ltd., changed its name to Canadian General Investments, Ltd., during 1931, and authorized capital was increased to 1,000,000 shares of no par value. The trust acquired assets of Canadian General Investments, Ltd., shareholders of which received four shares of Canadian General Investments, Ltd., for each share held of Canadian General Investment Trusts Ltd. This action resulted in consolidation of the investments of the two trusts, portfolios of which were similar to a great extent.

The present asked price of Canadian General Investments, Ltd., stock is now $5.50, and we understand the book value of the shares to be around $9.50. This book value may be rather high since it includes a valuation placed by directors on certain securities held by the trust which are not readily marketable. The last quarterly dividend paid January 2, was 15c per share, the previous dividend being 20c per share. At the new rate, if continued during 1932, stock quoted at $5.50 gives a yield of some 10.9 per cent. The rate of dividend will depend entirely upon returns secured by the trust from investments and it is by no means assured that the trust will pay 60c per share in dividends during 1932.

While shares of the trust are selling below book value, there is only a very limited re-sale market for the shares at the present time, and if your client decides to double up on his investments to bring down his average cost, he should do so with full realization that he may be obliged to hold for some time. The annual report of the trust for the year ended December 31, 1931, is expected to appear some time during March or April and, until that time, it will not be possible to get a definite idea of the position of the trust and what loss has been suffered in its portfolio during the past year.

Investment trust stocks are not highly regarded in Canada at the present time, and while that attitude lasts, it militates against market appreciation. Another point to be considered is that Canadian General Investment Trust holds a considerable percentage of securities in its portfolio for which there is no ready market and the movement in prices of these securities is admitted by officers of the company to be relatively slow when compared with prices of listed securities.

The principle of averaging down the cost of one's holdings by buying more of the same stocks is not always good. Sometimes it is better policy to average down by making investments in other deflated stocks.

The Next Move Up

Will you please mention some securities of companies whose position looks in good shape for the next move up?

The Financial Post does not recommend securities for purchase by its subscribers. Its service is intended to give, with regard to particular securities, all available information which will help the enquirer to form his own conclusions. We trust that the week to week issues of The Financial Post will give you some idea as to companies which are shaping up well. As you form your own preferences, you can ask us for further information about any individual securities and we will try to get the data for you.

Minn.-Ontario Bonds

I find in my father's estate, of which I am acting executor and part heir, an investment in first mortgage gold bonds, series "C", 6's of the Minnesota and Ontario Paper Co., dated April 1, 1927 and due May 1, 1950.

I would appreciate your forwarding me the present facts of this company and the possible future outlook. Should I hold these bonds, or would it be best to become a member of the bondholders' protective committee?

It is our understanding that the bond holders' protective committee of Minnesota and Ontario Paper Co., and the receivers for that company, are working together rather than in opposition. We believe that it is to the advantage of bond holders to deposit their securities with the bond holders' committee which, according to the latest report, had secured deposits of 80 per cent of the bonds outstanding as against a required deposit of 75 per cent. This being the case, no object can be served by withholding the deposit of the bonds while with the deposits the position of the bond holders' protective committee is still further strengthened.

Early in December, 1931, C. C. Jaffray of Minneapolis and R. H. Robinson of New York were appointed as new receivers for the company replacing the retiring receivers—E. W. Backus, E. W. Decker and C. R. Fowler. Mr. Jaffray is president of Minneapolis, St. Paul and Sault Ste. Marie Railway Co., which is controlled by the Canadian Pacific Railway and he is recognized as a very responsible and reliable man.

The letter sent out by receivers on October 15, 1931, enclosed a copy of the Order of the United States District Court limiting the time within which creditors of the company could file claims which were not applicable to bond holders of the company. It is required legally that all creditors of the company should be notified in this manner but in effect it applies to trade creditors only and not to bond holders.

We are not in a position to make a legal decision on the result of the estate in question not depositing bonds with the bond holders' committee, but we are reliably informed that failure to deposit the bonds will not affect your claim against the company. The financial position and operating position of the company is far from being sound and as far as we are aware the bond holders' protective committee is acting in the best interests of the bond holders and therefore could very well receive full support from bond holders.

Toronto Dairies

Would you consider preferred stock of Toronto Dairies Limited, a good investment? Your comment would be appreciated.

Toronto Dairies is a co-operative company formed early in 1931 to take over the Oakvale Dairy in Toronto. The president, W. A. Dryden is a livestock breeder and farmer in Ontario county, a son of the late Hon. John Dryden, who for many years was minister of agriculture for Ontario. The managing director of the new company is L. W. Fegan who was for many years connected with the Farmers' Dairy and for some time as manager.

The company's authorized capitalization consists of $500,000 of 7 per cent preferred stock of $10 par value and 60,000 no par value common shares. The shares are being sold with a bonus of one common share with each four shares purchased.

Oakvale Dairies was bought in March, 1931, on the basis of $250, per can of production, the company then having 105 eight gallon cans of production daily, and an agreed-upon amount for cost of plant and equipment.

The fiscal year of the company will end on March 16, 1932. Since the company was formed production has increased from 105 eight gallon cans to 145 eight gallon cans, which is regarded as satisfactory. Dividends are being paid and The Financial Post is informed by the manager that dividends have been covered by earnings to date.

The total amount of outstanding preferred stock is now between $40,000 and $45,000. We are informed that it is not the intention of the directors to sell many more shares for cash, the balance being retained in the treasury for the purpose of purchasing existing established dairies whenever a good opportunity at reasonable rates comes along.

Until the completion of the financing it is unlikely that stock of this company will be listed anywhere and there is therefore no established market at the present time for people who purchase it. Purchases should therefore be made by people who have confidence that the directors and the management will be able to realize their hopes in building up a good and prosperous business and that eventually a market will be provided for their stock which will justify the payment on present lines. The original plan of financing was to sell about equal amounts of preferred stocks to producers, consumers and investors.

Canadian Celanese

A friend of mine has advised me to buy the preferred shares of Canadian Celanese Ltd. Have you any information regarding earnings in 1931 and are the prospects for the company satisfactory?

Our understanding is that operations of Canadian Celanese have been well maintained, and plants were working at capacity for the greater part of 1931. Earnings in the first three quarters of last year were ahead of the same period in 1930, and dividend requirements were covered by a fair margin. The company has made progress in the past few years, and appears to have established a definite market for its products. The preferred stock is now on a regular dividend basis; it remains to be seen whether this present rate of activity will be maintained.

THE WORLD AT LARGE

(Continued from page 6)

reflections on the middle-class viewpoint in the Old Country:

"The rank and file of the Conservative party are not satisfied with what has been accomplished by Parliament up to the present. I believe in official Conservative circles the situation is regarded as satisfactory.

"I expect to see a general tariff which will give the bulk of the industries some protection and also provide very considerable additional revenue. This in turn may mean some relief next year in direct taxation, which is crippling everyone.

"The great trouble here is that the middle-class business and professional people, outside of the retail shopkeepers, are experiencing very hard times. Young people, even if they are working, cannot afford to marry, while the family man who has made plans for the education of his family is going into debt, and many will have to keep on working long after the age at which they should retire.

"If the present international economic situation is not thoroughly cleaned up now, the nations will have terrific problems on their hands in about 15 years time. A 'patch up' of the situation may mean some increased prosperity for four or five years; followed by a steady decline for some years with no hope of lasting improvement.

"I am afraid that the world generally won't read correctly the lesson of the British general election. The people voted almost as one man for the National government and if the National government cannot create a more satisfactory set of conditions then the faith in Parliament and democratic government will very rapidly decline and the great middle class of England will try other methods.

"By about 1945 all the pre-War leaders will have faded out and the countries will be governed by the generations who gained their experience and education in the War and post-War periods. They will be prepared to try methods which would today be considered very revolutionary.

"The Socialist movement in this country has been confined very largely to trade unionists in the past, but that is not likely to be the case if this government and the governments of other countries do not succeed in clearing up the present economic mess.

"There are very strong reasons why outstanding difficulties and differences between nations should be ironed out as thoroughly as possible and without delay."

BANQUE CANADIENNE NATIONALE

Statement of condition as of 30th. November, 1931

PROFIT AND LOSS ACCOUNT

Dividends..............$	700,000.00	Balance of Profit and Loss, 29th. November, 1930..$	178,229.25
Pension Fund............	40,000.00		
Dominion Government Taxes................	110,000.00	Profits for the year ending 30th. November, 1931..	1,001,940.09
Payment to the Treasurer of the Province of Quebec (14, Geo. V, Ch. 3).	125,000.00		
Balance of Profit and Loss, 30th. November, 1931..	205,169.34		
	$ 1,180,169.34		$ 1,180,169.34

LIABILITIES

To the public:

Notes of the Bank in circulation..............................$	9,797,994.00
Deposits (Savings and Current)..............................	117,669,319.83
Advances under the Finance Act..............................	8,000,000.00
Miscellaneous..	360,458.76
	$ 135,827,772.59

To the shareholders:

Capital, Rest Fund, Dividends and undivided Profits..............	14,382,474.39
	$ 150,210,246.98

ASSETS

Cash on hand, in other Banks and in the Central Gold Reserves......$	16,358,381.63
Securities.. *(At less than market value)*	42,151,836.02
Call Loans.. *(Secured by Collateral of ample marketable value)*	9,825,208.93
Current Loans and Discounts.......................... *(After providing for doubtful debts and contingencies)*	73,738,831.63
Real Estate, Mortgages, Furniture and Fixtures and Miscellaneous.. *(At less than fair value)*	8,135,988.77
	$ 150,210,246.98

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75 h. p., 6-cylinder motor	75 h. p., 6-cylinder motor
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Full channel depth cross members	4-speed transmission
Dual rear wheels on 2-ton	8-inch frame
Full floating rear axle	Full channel depth cross members
16 Imperial gal. gas tank	Dual rear wheels
	Full floating rear axle
CHASSIS 1½ Ton	CHASSIS 3 Ton
130-inch wheelbase	141-inch wheelbase
165-inch wheelbase	153-inch wheelbase
2 Ton	165-inch wheelbase
141-inch wheelbase	183-inch wheelbase
153-inch wheelbase	
165-inch wheelbase	

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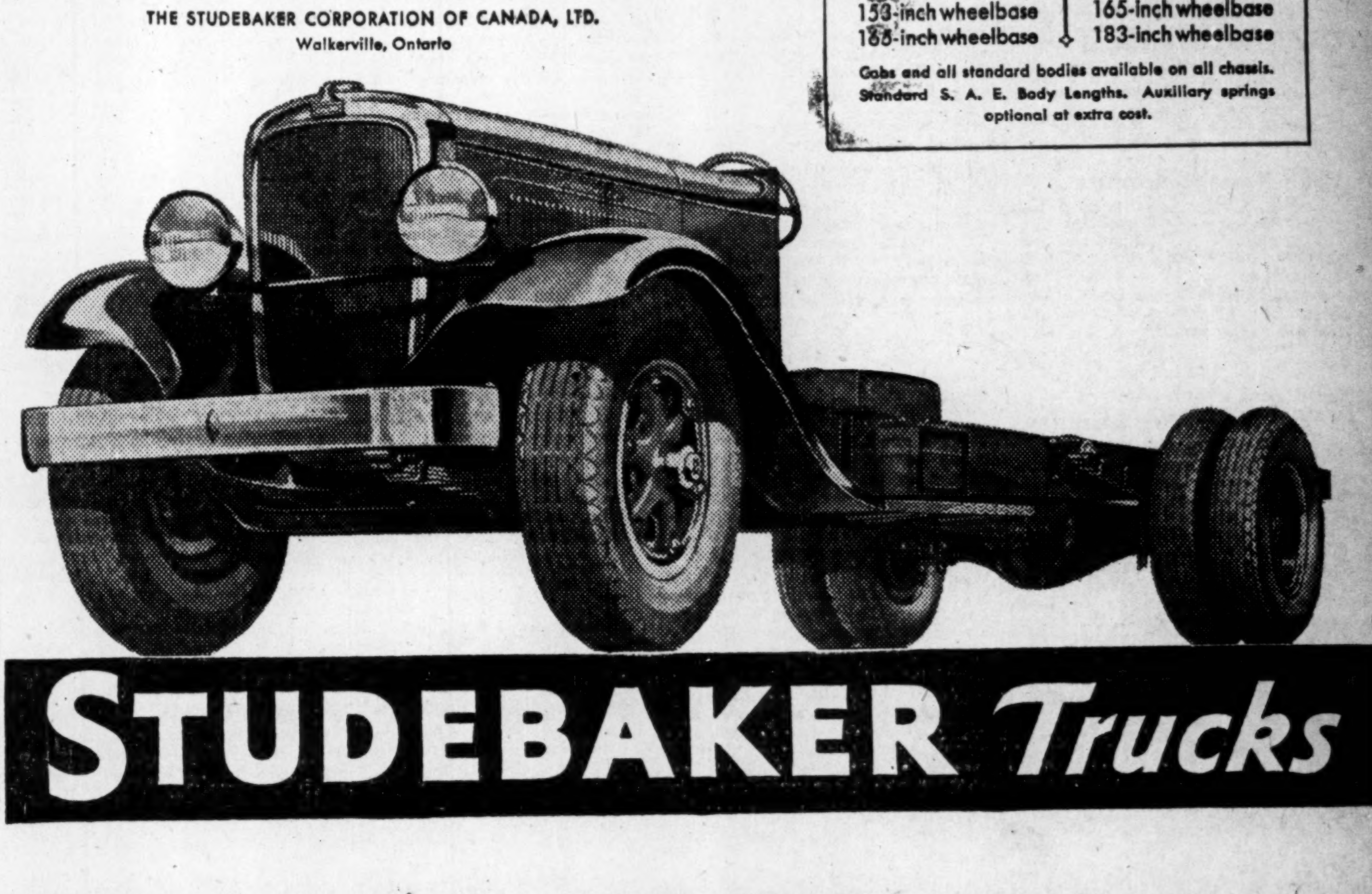

STUDEBAKER Trucks

HOTEL EARNINGS FOR PAST YEAR ON LOWER SCALE

Montreal Operators Generally Had Lower Traffic During 1931

In view of the existing conditions in the hotel business considerable interest attaches to the forthcoming financial statements of the Mount Royal Hotel and Windsor Hotel, two of the leading hostelries in Montreal. That earnings will fall below the level of 1930 is expected, though to what extent this decline will go has not been revealed as yet.

Rooms sales at both these hotels, in which there is considerable public investment interest, have fallen off sharply in recent months. Though in the early part of last year declining patronage was offset to some extent by sharp cuts in operating expenses; toward the end of 1931 further shrinkage in both regular and tourist business is understood to have found reflection in profits.

Construction Costs High

One of the difficulties which has made the path of the Mount Royal a hard one to travel ever since it was built, is the fact that its construction coincided with the peak level of building costs in 1921. Capitalization proved burdensome from the outset and though this has been pared down in recent years it still has a substantial sum of securities outstanding.

Since the inauguration of the present management, steps have been taken to place the company's financial house in order. More conservative accounting practice has been adopted, while rigid control of operating expenses has been maintained. Net profits after all charges in 1930 were equal to $2.97 a share on the preferred stock on which dividends totalling $2 a share were distributed in the year. During 1931 a similar disbursement of $2 a share was made together with an additional payment of $1 on account of accumulations of arrears.

In regard to the Windsor Hotel, earnings in 1930 were equal to $8.74 a share on the preferred on which dividends at the rate of $6.50 are maintained. After payment of preferred dividends there remained a sum equal to $1.01 a share on the common. It is unlikely that the financial statement for 1931 will show a perceptible margin applicable to the common stock.

DRUMMOND RLTY. WOULD POSTPONE BOND INTEREST

La Salle Hotel Finds Difficulty in Meeting Charges

From Our Own Correspondent

MONTREAL.—Repercussions of the difficult situation which confronts the hotel business today, as indicated in a recent article in The Financial Post, are seen in the forthcoming meeting of holders of refunding mortgage bonds of Drummond Street Realty Corp. which owns the La Salle Hotel, Montreal. Bondholders will be asked to approve some modifications of the trust deed governing the issue.

It is proposed to postpone, until February 1, 1934, interest due on February 1 and August 1, 1932, and 1933. Bondholders will also be asked to forego payments on account of sinking fund until November, 1934, and to waive the default in respect of sinking fund which was due November 1, 1931.

Sinking Fund Default

Latest figures available show $625,000 of 6½ per cent refunding mortgage bonds outstanding of which $92,500 are held in escrow. Interest to date has been paid though it is evident that sinking fund requirements, which are called for at the rate of 2 per cent annually, are in default since November 1, 1931.

Hotel La Salle operates an apartment hotel which includes 149 furnished apartments in its design. The structure is largely dependent on tourist business for revenue and in the past year has felt the effect of the shrinkage in this class of business, in so far as it touches the hotels.

Public investment interest in the project dates from 1927 when an offering of $200,000 of refunding mortgage bonds was made. Bonds were sold at par carrying one-half share of no par common stock with each $100 denomination. An additional issue of $265,000 was made in 1920 to finance a substantial addition to the property.

Moirs Power Plant is Nearing Completion

From Our Own Correspondent

MONTREAL.—Construction of the power plants for Moir's Ltd., to be used in connection with their mill at Bedford, is completed and work on installation of the generating system is about completed.

The plant will replace the obsolete structure and machinery in use for some time and will produce 1,000 h.p., or double the amount that was available from the old plant.

Ryan Named Executive of L. G. Beaubien and Co.

From Our Own Correspondent

MONTREAL.—G. G. Ryan has been appointed managing director of L. G. Beaubien and Co. Mr. Ryan was formerly connected with the International Paper Co. and Greenshields and Co. He was eight years with the latter firm, presently coming from the Quebec office, of which he was manager.

Montreal Stock Houses Merge Organizations

From Our Own Correspondent

MONTREAL.—Bruneau and Rainville and Geoffrion and Co., both members of the Montreal Stock Exchange, merged forces on January 18. The new firm will be known as Geoffrion and Rainville. The combined organization will have its head office in Montreal, while branch offices will be maintained in Quebec City, St. Hyacinthe, Ottawa, and Paris, France.

C. N. E. Operates at Profit

The operating profits of the Toronto Exhibition for the year 1931 amounted to $198,715, according to Sam Harris, president of the Exhibition Association. The cash payments to the city amount to $178,492, the balance of $20,222 being expended on additions to plant and improvement to the grounds.

Flour Exports For December Off 25 Per Cent

From Our Own Correspondent

MONTREAL. — Further declines in exports of Canadian flour were recorded in December, 1931. Total exports in that month were 25 per cent lower at 451,310 barrels, valued at $1,601,083 compared with 601,894 barrels exported in December, 1930, having a value of $2,496,194.

Shipments to the United Kingdom as well as to other countries were lower. Exports to the United Kingdom in December, 1931, were down 71,000 barrels at 183,165 barrels, while shipments to other countries were 267,832 barrels, a drop of 80,000 barrels from December, 1930.

Cumulative figures for the five months ended December 31, 1931, show that flour exports amounted to 2,564,999 barrels compared with 3,569,438 barrels in the same period of the previous year. Values for the first five months of the 1931 crop year were lower by about 45 per cent, at $8,798,239.

DOMINION BRIDGE PLACES DIVIDEND ON $2.50 BASIS

President Reviews Operations at Annual Meeting of Shareholders

From Our Own Correspondent

MONTREAL. — Uncertainty in respect to the outlook led to the decision of the directors of Dominion Bridge Co. to place the common stock on a quarterly dividend basis of 62½ cents, or at the annual rate of $2.50. The first of the new dividends will be paid on February 15 to shareholders of record January 30. A similar dividend of 62½ cents per share will be paid on May 16 to shareholders of record April 30.

This action by the directors places the stock on an annual basis of 50 cents a share less than that paid in the preceding two quarters and $1.10 less than that existing previously.

Decline in Business

At the annual meeting of the company, G. H. Duggan, president, stated that the new business written in the past year was 43.2 per cent less than in 1929 and 22.2 per cent less than in 1928. Output suffered in a like manner, being 45.5 per cent less than in 1929 and 32.3 per cent less than in 1928. In so far as the first three months of the current year are concerned, output is still on the down-grade.

Capital expenditures carried out by the company last year, according to Mr. Duggan, were principally for the extension of business into new lines; steel pipe fabricating facilities at Vancouver; foundry and machine shop for Standard Iron Works at Edmonton; renovation of foundry, machine and smith shops at Manitoba Bridge and Iron Works, and more directly the purchase of shares of Dominion Hoist and Shovel Co. and Canadian Pipe and Lining Co.

Survey New Subsidiaries

The business of Dominion Hoist and Shovel Co., stated Mr. Duggan, is of a character that requires the carrying of standard machinery ready for prompt delivery and orders for ten trawler type, one-yard shovels; a locomotive train and several sizes of stationery hoist, were placed for manufacture in Dominion Bridge shops and those of Dominion Engineering Works. The demand for this class of equipment was not active during the past year and only three machines were sold.

Canadian Pipe and Lining Co. completed soon after the close of the year a contract for laying three and three-quarter miles of pipe at Kirkland Lake. The pipe is 30-in. inside diameter, concrete-lined and coated on the outside with asphaltic burlap. It was manufactured in the shops of a subsidiary, National Bridge Co.

Add to Shareholders

Mr. Duggan referred to the general financial position of the company and pointed out that during 1931 there was a further increase of 1,217 in the number of shareholders, making the number at the close of the financial year, 5,332.

The board of directors was reelected by the shareholders, with the exception of C. E. Neill, who died a short time ago and has been replaced by Ross H. McMaster.

CONVERTERS CUT DISBURSEMENT CAPITAL STOCK

Third Reduction Places Shares on $2 Basis

From Our Own Correspondent

MONTREAL.—Directors of Canadian Converters Co. have been forced to reduce the dividend rate on the capital stock again, making the third reduction in the past 18 months. With the declaration of a payment of half of one per cent, payable February 15, disbursements have been cut 50 per cent from the previous level of $4 a share.

For many years the company paid 7 per cent on its capital stock, but lower sales and earnings necessitated a reduction to $5 per cent in August, 1930. This was again reduced by $1 a share in August of the succeeding year. There are 17,335 shares of par value $100 outstanding.

Earnings of Canadian Converters have declined steadily since 1929. In the year ended April 30, 1930, share earnings were $5.03, and in the 1931 fiscal year they had shrunk to $2.58 a share against which disbursements of $5 were made leaving a deficit for the year of $41,884.

Products of Canadian Converters Co., which have a substantial distribution in the Western provinces, have met with lower demand. Output comprises shirts, collars, overalls, and various forms of white wear made up from textiles which the company purchases in bulk.

The balance sheet at April 30, 1931, showed a working capital of $702,727. Though working capital was lower, liquid position was improved.

SIXTY-THIRD ANNUAL MEETING OF THE ROYAL BANK OF CANADA

Sir Herbert S. Holt, President, Reviews Economic Conditions in Canada and Abroad During 1931—Points Out Satisfactory Progress in Achieving Favourable Trade Balance—Refers to Railway Problem—Reiterates His Lifelong Confidence in Future of Canada.

Mr. M. W. Wilson, Vice-President and General Manager, Refers to Satisfactory Character of Bank's Annual Statement—Sees Signs of Stabilization and Mentions Other Hopeful Features of Business Situation.

The Sixty-Third Annual General Meeting of the Shareholders was held at the Head Office of the Bank, Sir Herbert S. Holt in the chair.

Mr. S. D. Boak acted as Secretary of the Meeting and Messrs. the Hon. Gordon W. Scott and H. Carson Flood as Scrutineers.

The Directors' Report was read by the Secretary, Mr. S. D. Boak.

PRESIDENT'S ADDRESS

Sir Herbert S. Holt, chairman, in moving the adoption of the Directors' Report, said:

Before moving the adoption of the Report, it is with profound regret that I refer to the death of Mr. Charles E. Neill, late Vice-President and Managing Director of the Bank, to whose service he had devoted his entire business life. He commenced as a junior clerk at the Fredericton Branch in 1889, became General Manager in 1916 and continued in that position until 1929, when he became Managing Director. The years during his management were marked by more than ordinary hazards and difficulties, and it was during this period that the Bank achieved such a notable development in its business and advanced to a leading position in Canada. The interests of the Bank occupied a paramount position in his mind from the time he entered the service until the moment of his death. In his passing the Bank has lost a wise counsellor, his associates a loyal friend, and Canada an eminent banker and distinguished citizen.

The Sixty-Second Annual Report and Balance Sheet reveal the strong position of the Bank. Profits for the year fully covered the usual dividends, which we trust you will regard as satisfactory, in view of conditions that have affected all lines of business. In common with the other Canadian banks, the Directors, as you are already aware, discontinued for the time being the bonus of two per cent paid for several years past. At a time when disorganization in finance is accentuating the severe depression in other countries, it should be a source of great satisfaction to the Canadian people that their financial institutions have been so organized and managed that they have come through the ordeal with an excellent record. The fact that the depression has not proved as severe in Canada as in most other countries must be attributed in no small degree to the stability of our banks and the courage and good judgment with which they have supported industry. The General Manager will deal with the financial statements in detail.

The Canadian business situation at the end of 1931 reflects the difficulties resulting from over two years of world-wide depression. As Canada is dependent upon foreign markets for the disposition of a large part of her products, she has felt keenly their decreased purchasing power.

Manufacturing has been comparatively quiet throughout the year and most industries have been working on reduced schedules. Activity in the flour milling industry, steel, automobile and agricultural implement trades has been materially curtailed. The textile industry has been reasonably active, woollen goods showing some increase in production, with silk and hosiery mills working at near capacity. This is also true of the boot and shoe industry. Lumber suffers from the lack of demand, which has been characteristic for several years past, but stocks, particularly in eastern Canada, have been largely reduced and the treaty with Australia should improve the situation in British Columbia.

In both the Maritime Provinces and British Columbia, the fisheries have had a poor year. The total pack of salmon in British Columbia was less than one-third of the record pack of 1930. Prices have been low.

On the whole, many retail stores, particularly those under chain management, and department stores, have maintained a surprisingly satisfactory volume of sales considering the intensity of the depression. Retail purchasing power, however, is not as seriously affected by depression as most people are accustomed to think. When advertising has forcefully directed the attention of the public to bargains which can now be obtained, a reasonable response on their part may be anticipated.

The pulp and paper industry has operated at a lower percentage in relation to capacity than at any time in the past. Plans are now under consideration for the complete integration of the Canadian newsprint industry east of the Rocky Mountains. This is a constructive development, difficult of accomplishment, but highly desirable if Canada is to continue to maintain the supremacy which should be hers on account of the tremendous advantages she enjoys from her great natural resources of power and timber lands.

During the year a considerable number of British and American concerns located branch factories in Canada with a view to obtaining the advantage of the Canadian tariff and lower production costs. The large number of enquiries forecasts a further substantial development in this direction.

During the past year about 20 per cent of the cultivated area in the Prairie Provinces suffered from drought, particularly southern Saskatchewan. The wheat crop alone was 100,000,000 bushels less than the moderate crop of 1930. Other parts of Canada had more favourable weather conditions and some crops created new records. Apples and potatoes are plentiful; the tobacco crop is exceptional. Livestock and dairy farmers have had excellent pasturage and plenty of feed for their herds, but surplus supplies have greatly depressed prices.

Stocks of wheat are still large, but show some reduction from last year. It is hoped that by the end of the year there will no longer be an unwieldy surplus in the United States and Canada. The outlook is by no means discouraging. Gradually the world surplus is being reduced.

Last year I strongly advised the adoption of mixed farming where conditions permitted. In Saskatchewan the production of butter in the first ten months of the year exceeded that of any previous year. This is a move in the right direction. The Dominion Agricultural Credit Company Limited has been organized and is making headway. This corporation will lend money to farmers to buy cattle, sheep and hogs, and will thus aid in the widespread move towards diversification of farm production. The large scale experiments of the past year indicate that fertilizer can be used advantageously. It has increased the grade and yield of wheat from eight to ten bushels per acre and advanced maturity from a week to ten days.

In the mining industry there has been a most notable increase in gold production. Canada is now producing more than $1,000,000 worth of gold per week, which has been one of the outstanding items of good news during the year. The activities of mines producing base metals have been unfavourably affected by over-production and low prices. There is a movement on foot to curtail the output of these metals, which should result in better prices.

FOREIGN TRADE

While the severe dislocation of international trade has naturally resulted in a substantial decrease in our exports, we have cause to be satisfied with the way in which Canada has adjusted her position. In 1929 our excess of merchandise imports amounted to $90,000,000 and in 1930 to $103,000,000. The first eleven months of 1931 resulted in the adverse balance of trade being reduced to approximately $25,000,000, and if we take the six months ended November, 1931, even more favourable results are shown, namely, a favourable balance of $34,000,000, compared with an unfavourable balance of $44,000,000 for the corresponding months of 1930. These figures reflect the transition from the period of expansion and development coupled with the investment of foreign capital in Canada to a period of retrenchment and reliance on our own resources. In my opinion the successful bridging of this gap with a minimum of disorganization constitutes clear proof of the resilience and fundamental strength of the Canadian economic system.

RAILWAYS

The gross and net earnings of the railways continue to be seriously affected by the general depression and unfair, uncontrolled competition of motor trucks, buses, etc. The Government is to be congratulated on the appointment of a Royal Commission whose high standing and ability will, I am confident, ensure recommendations which, if adopted, will in large measure solve the present very serious situation caused by uneconomic competition and duplication of services. Savings to the country of from $60/75,000,000 a year are possible, and this without impairment of service to the public. It must be remembered that the railways are now under the absolute control of the Railway Commission, which regulates the service given and the rates charged for passenger, freight and express service.

IMPERIAL CONFERENCE

I look forward with confidence to the Imperial Conference to be held in Ottawa during the coming summer, as it is evident there is a widespread sentiment favourable to the increase of Empire trade. It will require careful analysis and close study to create a scientific tariff structure which will stimulate reciprocal Empire trade without handicapping home industry.

As long as other nations raise intolerable tariff barriers against British Empire goods, it is necessary that the different parts of the Empire should protect themselves by concerted action which will increase trade within the Empire. It is to be hoped that the Governments of Great Britain and Canada will work out a basis by which Great Britain will be able to purchase a greater proportion of our wheat and other agricultural products, lumber, newsprint and the products of our mines, and that Canada, in turn, will be able to direct a larger proportion of her foreign purchases to Great Britain and other parts of the Empire.

FINANCE

The outstanding event of the year in the realm of finance was the success of the National Service Loan. At a time when it was desirable that banks, insurance companies and other financial institutions should conserve their resources, the response from the large number of small investors was particularly gratifying. The raising of over $220,000,000 in record time was indeed a notable achievement.

Both the internal and external revenue have been reduced by the decline in activity of trade. The total liabilities of the country have been sharply increased, with the result that, as of November 1st, 1931, the net public debt of Canada amounted to $2,309,000,000, in addition to which the Government has guaranteed $590,000,000 bonds of the Canadian National Railways and $31,000,000 of other bonds. The debts of the provinces and municipalities of Canada are in excess of $2,000,000,000, bringing the total public indebtedness of the country to almost $5,000,000,000. Expenditures by governments and municipalities have been excessive and the interest on our huge public debt constitutes a heavy burden on the people. There never was a time in our history when it was so necessary to avoid extravagance of every kind, and governments, Federal, Provincial and Municipal, should follow the splendid example set by the British National Government in reducing the cost of administration and balancing their budget.

The prohibition of the export of gold except under license produced a substantial premium on New York funds, and as a consequence Federal and Provincial Governments, municipalities and corporations who have to make interest payments or amortization of debts in New York have been called upon to bear a large increase in charges. The premium on gold, however, has been a positive advantage in its influence on internal prices and as an aid to our export trade. The main cause of the present depression is the fall in the price level. So long as this continues, industry will be unprofitable and the volume of business will decline. Whatever tends to reverse this trend must stimulate business activity and increase employment, and from this point of view the developments that have taken place will strengthen the position of our internal economy.

WORLD SITUATION

A survey of world conditions during the past year presents a picture of difficulties unprecedented in times of peace. Following financial difficulties in Austria and Hungary, Germany found herself in a very difficult situation. The Hoover moratorium on war debts and reparations produced a temporary relief, but subsequently Germany found it necessary to ask her creditors for what is, in effect, a general moratorium on the foreign debts of her banks. This moratorium expires on February 28th, and negotiations are now proceeding for a new arrangement which it is hoped will provide a permanent solution. It is encouraging that so far there have been no defaults on any of the securities of European governments, with the exception of some of the issues of Hungary.

Arising out of the difficulties of Central Europe, the financial position of Great Britain made it necessary for her to abandon the gold standard last September. This was a shock to the world on account of the traditional importance of the pound sterling in international trade, but from the British point of view this development has been favourable in its effect. By reducing the gold value of the pound sterling, Britain obtained a reduction in production costs which put British industry in a better competitive position. The subsequent increase in employment is particularly significant at a time when unemployment is increasing rapidly in other countries.

The stagnation of trade and the cessation of international lending have resulted in defaults on a large number of bond issues of South American countries. It is a fact, however, that internal trade in most of these, aided by depreciation of their currencies, has maintained a relatively more satisfactory volume than has been the case in the United States or Europe.

The question of war debts and reparations is about to be discussed at an international conference. A rational solution of international debt problems is fundamental to the rehabilitation of world trade. It is hoped that as a result of this discussion war debts and reparations will be dealt with on a basis of practical common sense.

SUMMARY

It has been said that it is darkest just before dawn and in previous depressions conditions have seemed most discouraging at a time when improvement had already set in. The violence of the depression must, of itself, tend to produce a strong reaction. It may well be that the gold countries are now on the verge of a rise in the price level which they will be powerless to prevent, due to the steady stream of gold which must continue to flow to these countries, aided by the inflationary tendency which will result from financing government deficits and other extraordinary efforts which may have to be undertaken to relieve the financial pressure from the rest of the world. In this connection it is significant that India has, since Great Britain suspended gold payments, shipped no less than £20,000,000 in gold, an outward movement for which there is no precedent. Other underlying factors are favourable to increased prices at the first sign of returning confidence. The stock market has been liquidated to a point where speculative accounts are negligible, and quoted values of most securities are well under their intrinsic values. The investing and speculative public have lost their sense of proportion to a degree almost equal to that in the boom market. I am convinced that as soon as measures are taken that will restore confidence in the United States, world business will begin to improve. President Hoover's reconstruction programme seems ably designed to take care of a number of their pressing problems.

I have witnessed many depressions during the course of the last fifty years and I see nothing in this one which weakens my faith in this country. With a sound and strongly integrated banking system, no important investments in depreciated foreign Government securities, an industrious and virile people who have maintained their morale unimpaired, and with a system of government permitting prompt and decisive action, Canada is in a relatively satisfactory position and we are justified in looking to the future with confidence.

Mr. A. J. Brown, K.C., Vice-President, then seconded the motion for the adoption of the Directors' Report.

GENERAL MANAGER'S ADDRESS

Mr. M. W. Wilson, Vice-President and General Manager, then referred to the Annual Statement, as follows:

The report will, I feel sure, be regarded by you as eminently satisfactory. The continuance of business depression throughout the world and further declines in commodity price levels have involved not only a shrinkage in the volume of trade, but also a material reduction in its dollar value, and it is the latter which in one form or another enters into bank balance sheets. The changes hereafter referred to follow the general trend of operations of banks in Canada. The maintenance of our assets at a figure as high as $325,000,000 reflects not only the conservation of existing business, but also the acquisition of new and desirable connections.

Advances under the Finance Act stand at $20,000,000. This Act, as you may recall, was put in force by Canada in 1914, and ever since has amply proved its worth. Under it, banks are empowered to borrow Dominion notes from the Dominion Government against approved securities. In our case, we have always put up Dominion or Provincial Government bonds. It gives to Canadian banks the equivalent of rediscount facilities, thereby enabling them to take care of the legitimate borrowing requirements of Canadian customers to a greater extent than would otherwise be possible.

The liquid position of the bank has been maintained at substantially the same ratio as a year ago, quickly realizable assets being more than 48 per cent of liabilities to the public.

During the year it has been comparatively easy to take care of the borrowing requirements of customers. Loans and Discounts are reported at $419,345,043, those in Canada being down $19,556,795, and those abroad $6,871,785 for the year.

Last June our Vancouver Building was completed, and is now occupied by the bank. It adequately provides for the needs of our important business in that city, and notwithstanding prevailing conditions, a gratifying proportion of rentable space has already been leased. Our only other building operation of moment at the present time is in London, England, where, as reported last year, we are erecting premises which will be ready for occupancy next summer.

Once again the ability of the Canadian banking system to take care of the needs of the country has been clearly demonstrated. The type of organization under which they operate enables our banks to take a broad view of the transactions that come before them, and I think it will be admitted that the disposition has been to deal with the problems of their customers in a sympathetic and constructive manner.

It is not my intention to refer in any detail to the various aspects of the world-wide depression. The President has reviewed conditions, both at home and abroad. From the point of view of the bank, I may say that the situation has been surprisingly good in almost all the foreign countries where we are represented. The currency depreciation which has taken place in certain cases has served in large degree to prevent a fall in the internal price level, thus maintaining the business structure to an extent which would otherwise have been impossible. This is particularly the case in Brazil, in which country business activity has been increasing in many lines. Similar conditions became operative in Great Britain subsequent to the suspension of gold payments and the same may be said of the British West Indies, which are on a sterling basis. Our foreign branches have never been allowed to expose themselves to risk of loss through exchange fluctuations, and as a result, our experience during the last year has been entirely satisfactory.

On previous occasions we have stressed the importance of restoring the world price level to approximately 1924-28 levels, at which point present debts would be bearable. This is essential if the present depression is to be liquidated in an orderly manner. Deflation has been carried to extremes, and anti-deflation measures are urgently required. Fortunately, various measures now being considered by the United States Congress justify the hope that corrective forces may soon be at work in that country.

A point I should like to stress is that, as the depression continues, the factor of business psychology is one of constantly increasing importance. Distrust between countries, lack of confidence in established institutions, timidity in business transactions of all kinds, and last but not least, apparent inability to face the facts of the international debt and reparation situation, are largely responsible for the extremes to which world business has gone. We in Canada have been particularly fortunate in this respect. The morale of our people has been maintained at a high level. Confidence in our country and in our ability to solve the problems that present themselves is above the average, and in my opinion, is amply justified by our past record and future prospects.

The most vital problem today is the restoration of international confidence. The obstacles in the way of this goal can be removed by wholehearted co-operation between the leading nations. There have been encouraging signs of a clearer understanding of the seriousness of the situation and of a greater willingness to face realities. While I do not wish to venture any prediction as to the date of business recovery, it will be very disappointing if an improvement does not take place during 1932. The leaders of politics and finance in the principal countries are capable of bringing this about and the indictment against any who block the way will be severe indeed.

We must not get into the frame of mind in which we think of losses as pertaining to all business activities. The truth of the matter is that the majority are holding their own. Reduced earnings for the time being may be inevitable, but we should be gratified that in this period of transition a great majority of our Canadian concerns are more than covering operating expenses, and that our agricultural population is staying on the land and maintaining the acreage under cultivation. There are signs of stabilization in a number of directions, our physical assets are being kept intact, and with reasonable economy and hard work, we shall find that Canada will be one of the first countries to feel the good results of business recovery.

VOTES OF THANKS

A vote of thanks was passed to the President, Vice-Presidents and Directors, to which Sir Herbert Holt replied.

A vote of thanks was passed also to the General Manager and Staff, to which Mr. M. W. Wilson, Vice-President and General Manager, replied as follows:

"Before expressing appreciation of the vote of thanks you have so kindly extended, I should like on behalf of the staff and myself to pay a brief tribute to the memory of our departed chief, Charles Ernest Neill. He was more than our chief; he was our trusted friend. Numberless messages received from members of the staff contain the expression, 'I feel I have lost one of my best friends.' His relations with his associates were of the most cordial character, and he seemed always to be animated by the desire to be helpful. No trouble, if it happened to be yours, was too small to interest him. The traditions of kindliness, service and responsibility which he fostered must not and will not be allowed to die.

"Unusual demands have been made on the staff during the past year, and I am glad to say that these demands have been met in the most cheerful and effective manner. I cannot speak too highly of the value of the services rendered the bank by the Assistant General Managers, Supervisors and other senior members of the staff, as well as by the rank and file. Your words of commendation will be received as gratefully by them as they are by me."

AUDITORS

Mr. A. B. Brodie, C.A., and Mr. J. G. Ross, C.A., were appointed Auditors for the ensuing year.

BOARD OF DIRECTORS

The following were elected Directors for the ensuing year: Sir Herbert S. Holt, K.B., A. J. Brown, K.C., M. W. Wilson, Hugh Paton, W. J. Sheppard, C. S. Wilcox, A. E. Dyment, G. H. Duggan, John T. Ross, W. H. McWilliams, Capt. Wm. Robinson, A. McTavish Campbell, Robert Adair, Hon. Wm. A. Black, M.P., C. B. McNaught, G. MacGregor Mitchell, R. T. Riley, Stephen Haas, John H. Price, W. H. Malkin, Julian C. Smith, Archibald Fraser, W. J. Blake Wilson, Sir Henry W. Thornton, K.B.E., G. Harrison Smith, W. F. Angus, Paul F. Sise, James McG. Stewart, K.C.

At a subsequent meeting of the Board of Directors, Sir Herbert S. Holt was re-elected President and Mr. A. J. Brown, K.C., and Mr. M. W. Wilson, Vice-Presidents for the ensuing year.

COURT MAY RULE ON SPECIAL GRAIN FREIGHT RATES

Maritime Case Likely to go Before Supreme Court

From Our Own Correspondent

MONTREAL. — Maritime interests are making headway in their demand for a freight rate on grain which will permit of a more extensive use of the grain handling facilities provided at the ports of Saint John and Halifax.

For several years past this fight for greater recognition has been going on, but, up to date, has not been overly successful. The present survey of transportation problems in Canada has provided an opportunity for pressing the case, and the Maritime interests have not been slow to take advantage of the situation.

Courts May Decide

Though not in favor of giving to the Maritimes the 18-cent rate on wheat to Quebec, plus the differential, Premier R. B. Bennett has stated that the Government might refer to the Supreme Court of Canada a stated case to determine whether or not the Maritime provinces were entitled to the Quebec rate under the terms of the National Transcontinental Railway Act.

Some time ago the Dominion Railway Commission ordered the Canadian National Railways to reduce the rate on wheat from the head of the lakes from 34.5 cents per hundred pounds to 18.4 cents per hundred pounds, on the ground that this is part of an agreement when the National Transcontinental Railway was constructed. The rate to Halifax from the head of the lakes is 1 cent per hundred pounds more than the old rate to Quebec, but the 1 cent differential has not been maintained. In other words, when the rate to Quebec was reduced to 18 cents, the rate to Halifax was left where it was, at 35 cents.

An Old Claim

It has been argued by Maritimers that the transcontinental railway was built primarily for the purpose of securing the grain traffic from Canada and that the act incorporating this enterprise provided that the rates for moving grain from the head of the lakes to the Canadian Atlantic seaboard ports was to be on a basis comparable with that for grain moving via American ports. This statute, it is claimed, was never implemented.

The railways have fought any move on the part of the Maritime interests to secure the lower rate as they claim it is impossible for them to move the grain at a profit. It is their contention that the cost of transporting the grain from the head of the lakes to Saint John or Halifax would be in the neighborhood of 24½ cents as against the rate of 18 cents, plus the one cent differential, demanded.

Paramount Publix Corp. List Additional Stock

From Our Own Correspondent

MONTREAL.—The Montreal Stock Exchange has authorized the listing of 79,586 shares of common stock of Paramount Publix Corp. At the same time it authorizes 1,068 shares of the 3,366,909 shares of common stock without par value previously authorized to be withdrawn from the list, making a total of 3,445,427 shares of common stock to be listed.

MORE TRUCK LAWS SEEN FOR ALBERTA

Railway Brotherhood Get Good Hearing from Cabinet Officials

Promise of legislation aimed at fairer and more equitable competition between truck and buses and the railways was given by Premier J. E. Brownlee and Hon. O. L. MacPherson of Alberta, to the joint legislative committee of the Railroad Brotherhood who presented a brief to the Government, recently, at Edmonton.

While no definite statement on the attitude of the Alberta Government was issued by the delegation from the Railway Brotherhood, it was definitely understood, according to the Edmonton Journal, that a most sympathetic hearing was given the matter by both the Premier and the Minister of Public Works.

Uniformity Urged

Matters contained in the memorandum submitted by the railway brotherhoods call for uniform traffic regulations with all other provinces and that operators of motor vehicles be compelled to pass an examination as to visual acuity, color perception and hearing and that it be made a punishable offence for drivers of motor vehicles to ignore warning signals at highways and railway crossings.

It was also urged that all motor buses, operating on the highways for revenue purposes be placed under the control of the public utilities commission.

It was admitted at the same time by the delegation that motor buses and trucks are entitled to compete against the railways.

The fact that these are at present free from many of the regulations and tariffs imposed upon the railways was stressed, however.

List Aluminium Shares on Montreal Curb Market

From Our Own Correspondent

MONTREAL. — Securities of Aluminium Ltd. have been listed on the Montreal Curb Market. Trading will be conducted in the following classes: 130,000 shares of 6 per cent, cumulative redeemable preferred shares of $100 par value each; 592,299 shares of no par value common stock; subscription warrants, Class "B," for 16,890 shares to expire in July 2, 1932; Class "B" warrants for 17,531 shares expiring October 1, 1932; Class "B" warrants for 17,427 shares expiring January 3, 1933, and $19,406,000 of 5 per cent sinking fund gold bonds due July 1, 1948. The ticker abbreviation will be "ALM."

Desrosiers Named Manager Sorel Steel Foundries

From Our Own Correspondent

MONTREAL.—Sorel Steel Foundries announce the appointment as general manager of P. H. Desrosiers, who was formerly managing director of Joliette Steel Ltd. This company, recently organized, was formerly Beauchemin and Fils, operated and controlled by Consolidated Marine Co. The new company still forms part of this group.

Under the new regime a complete modernization of plant and equipment will take place to take care of the many new lines which will be added to production.

Calgary Building Permits Lower by $2,000,000

New building permits in Calgary for 1931 show a decline of $2,000,000, compared with 1930, according to the annual report of the building department of that city. Since January 1, 1931, building permits totalling 1,140 and valued at $1,920,000 have been issued compared with 1,488 valued at $3,991,460 in 1930.

The average cost per home during 1931 was approximately $3,265 as compared with $4,420 in 1930.

WEST. BREWERIES SALES DECLINE; LOSS IS SHOWN

Normal Depreciation is Taken—Bank Loan is Reduced

Western Breweries Ltd. report a loss of $29,306 for the year ended October 31, 1931, after full provision for depreciation. In the previous year the company had a net profit of $124,099 after depreciation. Sales during the last fiscal year dropped 29 per cent, chiefly in beer, while sales of ginger ale and soda water were well maintained. Improvement in general business is expected to result in favorable increase in profits since expenses have been cut to meet existing conditions and the company has no capital expenditure ahead.

Earnings before depreciations on the 244,786 shares of $10 par value outstanding are stated to have been 57 cents per share. In 1930, the company earned 42 cents per share after all charges. During 1931 no dividends were paid on the common stock but preferred dividends paid to minority shareholders of subsidiary company amounted to $2,920 as in 1930. It is understood that bond interest was earned over four times before depreciation.

The consolidated income and surplus accounts for the past three fiscal years are as follows:

CONSOLIDATED INCOME AND SURPLUS ACCOUNT

Years Ended October 31

	1931	1930	1929
	$	$	$
Net profit	†29,306	124,099	399,085
Less: Reserve for inc. tax .	......	17,578	41,509
	†29,306	106,521	357,576
Less appropriations:			
Pref. divds. of subsidiaries	2,920	2,920	......
Com. divds. .	......	122,393	198,731
Surp. for yr.	*32,226	*18,792	158,845
Add: Prev. surplus	201,163	219,955	61,110
Adj. prev. yrs.	2,400	......	......
Bal. car. for.	171,337	201,163	219,955

* Deficit.
† Loss.

Bank Loans Are Down

Current assets at $636,953 compare with $760,072 in 1930. Cash is higher at $25,408; accounts receivable, less reserve, are down to $202,283 from $304,621 and inventories are down to $409,261 from $434,832. Current liabilities, including accrued interest of bonds amounting to $10,500, are shown at $396,954 against $566,990 in 1930. Bank loans have been reduced to $198,000 from $324,138 in 1930 and it is expected to wipe out remaining bank indebtedness this year. Accounts payable have been reduced to $151,130 from $231,185 and income tax reserve of $32,012 has been included as a current liability.

Loans and other investments, less provision for doubtful accounts are down to $592,230 from $636,964; deferred charges are carried at $117,255 as against $88,194 in 1930. Goodwill remains at $356,742. Real estate, building, plant and automobiles are valued at $2,699,551 before depreciation, as compared with $2,684,522 in 1930. Depreciation reserve is carried at a liability of $892,743, an increase of $153,449 for the year. Sundry reserves are shown at $7,233. The company has $450,000 of 7 per cent serial bonds outstanding, due December 1, 1932-1940, and 244,786 shares of $10 par value common stock. Interest of minority shareholders of subsidiary companies is $36,604 and surplus is $171,337.

Quebec Power Dispute, Attracts Wide Interest

City Wants Legislature to Give It Authority to Municipalize Electricity Services — Company Fights Back

From Our Own Correspondent

MONTREAL.—No love is lost between the council of the City of Quebec and the Quebec Power Co. The former does not care for the rates charged by the latter and is asking the Quebec government to municipalize electric services within its limits. The company, in a move to protect and strengthen its position, has applied to the provincial legislature for an amendment to its charter and the inclusion of a clause whereby if the City of Quebec wants to municipalize the electric services, it will first have to acquire the company's entire undertaking, including property assets, franchises, etc., at a value to be fixed by arbitration.

The trouble started some time ago, when dissatisfaction arose over the rates charged by Quebec Power. A committee was appointed to look into the matter. This committee made an adverse report to the council against the company, claiming that the rate schedule was considerably higher than that charged in other cities. The company, in defense, claimed that its rates were not out of line with the service provided.

Cut in Rates

A strong opposition developed in municipal councils and in order to better its position, Quebec Power in April last submitted a schedule of reduced rates which were refused by the city. Following this the city requested that the rates proposed by the "committee of citizens" be accepted. This, in turn, was refused by the company, and the latter suggested arbitration by the Public Service Commission as a solution of the dispute.

On July 1 the company voluntarily made a reduction of rates, but it was said at the time this rate was only temporary pending the suggested arbitration by the Public Service Commission.

Want More Power

The matter was not allowed to rest there by opponents of the company and steps were taken to have the charter of the city amended by the provincial legislature permitting the city to municipalize electricity for industrial and commercial purposes. It has already that power as regards lighting.

Quebec Power is countering this move by asking amendments to its charter as outlined above.

Interest is Strong

The whole matter is causing keen interest in municipal and power circles, while politics are well to the fore. Those in favor of the city's bill accuse the government of protecting the "trusts," while those in favor of Quebec Power's bill take the stand that investors are entitled to protection after having provided funds for the building up of a $25,000,000 utility.

Both bills are now before the provincial legislature and will be voted upon probably before the end of the month.

NORTH AMERICAN SHOWS INCREASE IN 1931 BUSINESS

Paid-for Assurance is Higher By 15 p.c. Report Shows

New business issued during 1931 by North American Life totalled $29,747,243, an increase of nearly $3,000,000 over 1930, according to preliminary figures issued by the company this week. Paid-for business in 1931 increased 15 per cent over the 1930 total of $17,913,694. Total business in force now stands at $197,898,571 as compared with $192,535,000 a year ago. The company's annual meeting will be held Jan. 28.

Total assets according to the new figures which are the first since the company became mutualized and which cover the company's 51st year of operation, amount to $46,855,000, an increase of $1,600,000 over a year ago. Analysis of these assets shows the following diversification: 29 per cent in government and municipal bonds, 29 per cent in first mortgages, 17 per cent in policy loans, 13 per cent in corporation bonds, 5 per cent in bank, loan, trust companies and Consumers' Gas stocks, 4½ in preferred stocks, 2 per cent in real estate, cash in bank, etc., and ½ of 1 per cent in common stocks.

Total income for the year amounted to $9,726,497, an increase of more than 6 per cent over 1930. Of this amount $6,573,901 represents premium income and $2,498,946, income from investments.

BEAUHARNOIS PLANS AGAIN TO THE FORE

Report Banks Seeking Greater Security on Advances

From Our Own Correspondent

MONTREAL. — For several months past Canadian banks have been advancing funds to Beauharnois Power Corp. to meet obligations in connection with the development of the 500,000 h.p. enterprise on the St. Lawrence River.

This action was taken following the House of Commons investigations into the affairs of the company. The money was advanced on the understanding that a new order-in-council would be issued and the balance of the financing carried out publicly. The funds are said also to have been advanced on the tacit understanding that the government would see that the banks were repaid.

Ottawa despatches say that the banks are hesitant about making further advances without being adequately protected; that the government is not taking the same stand it did in the months past; and that the lack of funds would enforce the closing down of construction operations.

See Project Completed

There is no official confirmation of this story. It is generally understood that the banks have advanced more than $12,000,000 to the company. Financing appears to be out of the question at the moment and it has been the current belief that the banks would continue financing the enterprise until such time as the bonds could be publicly sold.

Other sources of information say that nothing will be done about Beauharnois until after Parliament reopens. Meanwhile the banks will continue advancing the money.

New Board Proposed

Considerable thought has been given to the means of reorganizing the company to meet with the approval of the Dominion authorities in order to secure the new order-in-council. Late last fall a new line-up of directors was reported, but this was said to have met with an unfavorable reception. Current story is that another plan has been suggested. It is said that the banks are proposing for the revamped board of directors, W. A. Black, C. F. Sise, Miller Lash, K.C., W. A. Angus, A. F. White, Morris W. Wilson, J. S. Norris, Aime Geoffrion, K.C., and Sir George Garneau.

INT. PETROLEUM PRODUCTION DOWN

Gain in Peru is Offset by Drop in Colombia During December

Production of International Petroleum Co. during December averaged 24,789 bbls. daily in Peru and 45,786 bbls. in Colombia. Peruvian production continued the increase shown in November but the increase in Colombia in that month was not maintained and production fell somewhat below the October level of 46,948 bbls. daily for the lowest average production of any month in 1931. Total average daily production was 70,575 bbls. against 72,850 bbls. in November.

Total production in Peru for the 11 months ended November 30 was 6,907,246 bbls. as compared with 9,004,061 bbls. in the corresponding period of 1930. Production in Colombia at 16,817,831 bbls. compared with 18,649,549 bbls. in 1930.

The actual production during November and summary for the first 11 months of the year are shown as follows for 1931 and 1930:

MONTHLY PRODUCTION

November:	1931	1930
Peru:		
No. of wells completed	5	8
Av. initial prod., bbls.	238	920
Total crude prod., bbls.	621,124	738,839
Colombia:		
No. of wells completed	2	10
Av. initial prod., bbls.	*	609
Total crude prod., bbls.	1,564,384	1,692,264
11 Mos. end. Nov. 30:		
Peru:		
No. of wells completed	45	111
Av. initial prod., bbls.	258	567
Total crude prod., bbls.	6,907,246	9,004,061
Colombia:		
No. of wells completed	41	107
Av. initial prod., bbls.	682	664
Total crude prod., bbls.	16,817,831	18,649,549

*None yet tested.

Test New Briquette Process

The first full-scale test of the new Morfit process for the manufacture of briquettes from the lignite coal of the Esteven-Bienfait fields, Southern Saskatchewan, was carried out recently at the plant of the Western Dominion Collieries, Taylorton.

NATIONAL LIFE MAKES CHANGE IN T. D. BENEFIT

A. H. Beaton Makes Statement at Annual Meeting —Report Issued

Announcement that the company intends to abandon total disability benefits in favor of premium waiver only, was made at the annual meeting of National Life Assurance Co. by A. H. Beaton in his presidential address this week.

Results for 1931 were presented which show the company to have issued $9,731,655 of new business as compared with $11,285,227 a year ago. Business in force at the end of the year was $60,590,600 as compared with $61,079,187 at the end of 1930. The company increased its assets by $536,000 during the year to $11,157,589.

Assets Largely Bonds

Of this total, according to Mr. Beaton, 71.7 per cent is invested in government, municipal bonds and debentures, while 16 per cent is in loans on policies, an item which shows an increase for the year from $1,705,600 to $2,013,300. Stocks form 2.72 per cent of the total figure. In his address, Mr. Beaton devoted considerable attention to conditions in South America in view of the fact that the company has bond investments in this area. On the basis of 1930 figures the company has 53 per cent of its total assets invested in municipal bonds. All investments in bonds and debentures are taken in at book value.

One feature of the 1931 report was the increase in surplus and reserve funds which are approximately $330,000 higher than a year ago.

Disability Statement

Referring to the change in disability plans Mr. Beaton said:

"A few years ago, it was necessary in common with all Canadian companies to fall into line with an American innovation and give double indemnity and disability income insurance. This was not sound life insurance, and the first companies to advocate its abandonment were the innovators, the largest American companies. Disability insurance puts a premium upon fraudulent and malingering claims and all companies found it necessary to suspiciously scrutinize every claim for disability. This in itself is distasteful yet highly necessary in the interest of the policyholders and the resources of the company. It was not expected that the campaign for a return to bona-fide life insurance would in so short a time come to fruition.

"However during the past few months the decision has been almost unanimous on the part of the companies both in Canada and the U. S. to discontinue writing disability insurance. While our company has not suffered serious loss, it has long been felt that this class of benefit should never have been included in life insurance. The change, almost universally determined upon, will provide for a reduction in the age of the beneficiary, a higher rate of premium, a lower rate of commission to the agent and a longer probationary term of impairment before disability is recognized. In future this company and most others propose to write insurance providing for waiver of premium only, which, of course is a very substantial privilege to the insured and provides an increase in premium rate."

Comparative figures in leading items for 1931 and 1930 are as follows:

	1931	1930
Business		
New Ins. Issued ...	$ 9,731,655	$11,285,227
Total in Force	60,590,611	61,079,187
Income		
Prem. Income (net)	1,722,222	1,742,852
Int. rents, prof., etc.	583,609	571,916
Assets, etc.		
Total Assets	11,157,589	10,621,788
Bonds & Deb.†	7,859,130	7,614,240
Policy Loans	2,013,309	1,705,655
Stocks†	307,323	288,873
Conting. Res.	24,599	50,000
Invest. Res.	200,000	
Res. for Claims ...	15,000	
Surplus*	574,299	433,847

*Including policyholders' and shareholders' surplus but excluding profits allotted on deferred dividend policies.
†At book values.

SECURITY LOAN CO. MAINTAINS EARNINGS

Assets Are Up $50,000 — Reserves Increased $13,800

Net earnings for the year ending December 31, 1931, shown by the sixty-second annual statement of The Security Loan and Savings Co., of St. Catharines, amounted to $58,288, or 10.8 per cent on the fully paid-up capital, after interest, taxes and management expenses had been deducted. This compares with $58,572, equal to 10.85 per cent on the paid-up capital, for the preceding year.

Distribution of earnings was made as follows: dividends (at 7 per cent per annum) $37,786; transferred to reserve fund for contingencies, $20,000; and Federal income tax (additional payment for 1930 due to retroactive increase in rate) $1,155. The balance of $5,465 brought forward last year was therefore reduced by $653, leaving a balance to carry forward to 1932 of $4,812.

Assets Increased

Balance sheet shows assets $52,000 higher than last year at $2,187,700, the chief items being mortgages valued at $1,804,285; Dominion, provincial and municipal bonds at $279,439; properties held for sale, $41,121; office premises, $21,722, and cash at banks $19,790. Liabilities to the public consist of debentures and accrued interest, $930,025; deposits and interest, $339,671, and reserve for income tax $5,668, making a total of $1,275,364. Liabilities to shareholders include capital stock fully paid-up, $539,800; reserve fund $335,000; contingency reserve $13,831; half-yearly dividend $18,893, leaving a balance of $4,811 undivided.

Comparative statement for the past two years follows:

Profit and Loss Statement

Year End: Dec. 31

	1931	1930
	$	$
Net earnings*	58,287	58,572
Less:		
Dividends	37,786	37,786
Trans. to reserve	20,000	20,000
Surplus	501	786
Prev. surplus	5,465	4,679
Less:		
Addit. tax (1930)	1,155	......
Bal. carr. forward	4,811	5,465
Earned on paid-up cap. .	10.80%	10.85%

*After deducting interest paid, taxes and management expenses.

Growing Wool Centre

Kamloops, the centre of rich agricultural, cattle and sheep-raising districts in British Columbia, ships more wool than all the rest of the province combined. Nine carloads were shipped out last year, and the establishment of a woollen mill is a possibility, according to information contained in a folder recently put out by the Kamloops Board of Trade.

Canadians Can Buy Securities Abroad

Semi-Official Embargo is Lifted; Has Been in Effect Since December 19; Banks Will Sell U. S. Funds

Full withdrawal of the semi-official embargo on Canadian purchases of securities in foreign markets is considered as being implied, if not actually stated, in a letter forwarded by J. A. McLeod, president of the Canadian Bankers' Association, to investment and brokerage firms and institutions. International trade in securities may be resumed after having been practically stopped since December 19. The purpose of the embargo was to prevent the flow of Canadian capital abroad and to reduce or stabilize the premium prevailing on United States funds. The embargo is stated to have had a remedial effect.

Canadians may now buy United States funds from the chartered banks for the purpose of purchasing securities in the United States or elsewhere. In theory, this has not been possible since December 19, 1931. The banks, however, may discourage purchases of securities held abroad and appeal to customers to refrain from such purchases while the present rates of exchange prevail. It is also hoped that brokerage houses, investment bankers and financial institutions will co-operate to discourage export of capital under present abnormal conditions.

Financial men regard the letter giving notification of withdrawal of restrictions as being ambiguous and a tacit admittal that the embargo did not have the full effect previously expected. Figures prepared by investment houses and submitted to the Canadian Bankers' Association indicated that purchases in New York by Canadians were but half of foreign buying of securities in Canada and that the flow of capital benefited Canada. Canadian purchases in London, Eng., did have an adverse effect but no mention has been made of this particular business.

The text of Mr. McLeod's letter is as follows:

"Referring to my communication of the 19th ultimo regarding the above, the action in this behalf taken a little over four weeks ago has had a remedial effect and purchases in this country of certain classes of such securities which had been taking place in considerable volume antecedently, and which adversely affected the exchange rate, have been very materially lessened, and it is now quite certain that the importation of these classes of securities will be comparatively small in volume in the immediate future.

"In consequence, representatives of the association a day or two ago conferred with the prime minister to discuss the possible relaxation or removal of the restrictions on the sale in this connection of foreign exchange by the banks. The prime minister favored relaxation of the restrictions, subject to the following:

"That the banks should, wherever possible, discourage purchases of securities held abroad, appealing to their customers to refrain from making such purchases while the present excessive exchange rates are operative.

"The banks will from this date endeavor to carry out the prime minister's wishes as above expressed.

"The prime minister expresses the hope that the members of the stock exchanges, New York brokerage houses, and mortgage, loan, trust, and insurance companies (as the case may be) will co-operate to discourage the export of capital under present abnormal conditions.

"This statement is communicated for your information.

"The prime minister desires that information (which he regards as material) as to purchases and sales be obtained at regular intervals and later plans for carrying out this can be perfected."

MIDLAND LOAN HAS SATISFACTORY YEAR

Earnings in 1931 Hold at Previous Year's Level

The fifty-ninth annual statement of the Midland Loan and Savings Co. for year ending December 31, 1931, showed net profits amounting to $60,647, or 16.85 per cent on the paid up capital stock, which is fractionally better than the earnings made in the preceding year when they were $60,633.

Out of net earnings, which are after interest, taxes and management expenses, appropriations were made for dividends at the rate of 10 per cent, amounting to $36,000; the usual bonus of 2 per cent, $7,200; while $25,000 was written off investments, thereby reducing the balance in profit and loss account at the beginning of the year from $39,949 to $32,396, which is carried forward to 1932.

The company's assets show an increase of $127,329 compared with the preceding year, totalling $3,293,485, of which $2,481,598 is represented by mortgages and aggreements of sale, $170,798 cash, and $275,489 in Dominion, provincial, municipal and other bonds and stocks. Liabilities to the public show an increase of approximately $145,000 at $2,395,458.

Profit and Loss Statement

Year End. Dec. 31.

	1931	1930
	$	$
Net profits*	60,647	60,633
Less:		
Dividends	36,000	36,000
Bonus	7,200	7,200
Trans. to res.	....	15,000
W/O Investments	25,000	....
Surplus	†7,553	2,433
Prev. surplus	39,949	37,516
Bal. carr. forward	32,396	39,949
Earned on cap. stock	16.85	16.84

*After interest, taxes and management expenses.
†Debit.

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Executors and Trustees

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162 *Assets under administration exceed $530,000,000*

Report on Swiss Trade in 1930

The Swiss Federation of Commerce and Industry has just published its annual "Report on Swiss Trade and Industry during the year 1930." The abundance of economic facts and figures will enable an intelligent foreign reader to obtain an insight into Swiss economic conditions.

As formerly the general part of the report contains a succinct statement about certain important questions concerning prices, commercial policy and the crisis.

Thereupon follows a statistical part containing all the most important dates from the different fields of Swiss economic conditions such as: population, agriculture, water-power, factories, labor questions, cost of living, banking, foreign trade, finance and taxation.

The most important part of the volume is devoted to special reports on the individual branches of trade and industry, on traffic, insurance and banking, on production and distribution of electric energy and on technical and commercial education.

The report which is some 300 pages strong, appears in a French and in a German edition and may be obtained at the price of Sw. Fr. 8.— (plus postage) from the Secretariat of the Swiss Federation of Commerce and Industry, Zurich, Borsenstrasse 17.

CENTRAL CANADA LOAN AND SAVINGS COMPANY

Head Office: King and Victoria St., Toronto
Branch Office: 23 Simcoe St. North, Oshawa

48th ANNUAL STATEMENT

Year Ending December 31st, 1931

ASSETS

Office Premises—		
Toronto, Cor. King and Victoria Streets Oshawa, No. 23 Simcoe Street North		$200,000.00
Mortgages—		
Principal	$1,519,747.05	
Interest	33,678.86	
		1,553,425.91
Loans on Bonds and Stocks (All repayable on demand)		807,708.56
Bonds and Stocks owned—		
Bonds, Dominion of Canada and Provinces thereof	$2,050,639.68	
Other Bonds and Debentures	2,385,184.50	
Stocks	3,571,687.45	
		8,007,511.63
Cash—		
On hand and in Chartered Banks		740,210.99
		$11,308,857.09

LIABILITIES

To the Public—		
Debentures		$1,734,637.38
Deposits		4,712,540.33
To the Shareholders—		
Capital Stock: (Authorized $5,000,000.) 25,000 Shares, fully paid up		2,500,000.00
Reserve Fund	$2,100,000.00	
Dividend, due Jan. 2nd, 1932	75,000.00	
Special Bonus, 2% due Jan. 2nd, 1932	50,000.00	
Profit and Loss Account	136,679.38	
		2,361,679.38
		$11,308,857.09

PROFIT AND LOSS ACCOUNT

Balance at Credit of Profit and Loss Account, December 31st, 1930	$151,320.26
Net Profits for the year, after deducting all Management and other expenses, interest on Deposits and Debentures, and making provision for all losses	335,359.12
	$486,679.38
Appropriated as follows:—	
Quarterly Dividends, Nos. 188, 189, 190 and 191, amounting to 12% on the Company's paid-up Capital	$300,000.00
Special Bonus of 2% for the year 1931	50,000.00
Balance carried forward	136,679.38
	$486,679.38

BOARD OF DIRECTORS

President:
E. R. WOOD
Vice-President, The Canadian Bank of Commerce

Vice Presidents:
G. A. MORROW, President, The Imperial Life Assurance Company
H. C. COX, Chairman of the Board, The Canada Life Assurance Company
LEIGHTON McCARTHY, K.C., President, The Canada Life Assurance Company

W. G. MORROW, Vice-President and Managing Director, Toronto Savings and Loan Company
E. T. MALONE, K.C., Vice-President, Toronto General Trusts Corporation
W. S. HODGENS, Vice-President, Dominion Securities Corporation, Ltd.
A. B. FISHER, Vice-President, Canadian Real Estate Company Limited
A. H. COX, President, Provident Investment Company

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LONDON LIFE BUSINESS ISSUED WAS $95,000,000

1931 Figures Presented in 57th Annual Report

New business issued by the London Life amounted to $95,101,910 as compared with $107,189,024 in 1930 according to figures presented at the company's annual meeting this week. Total business in force now amounts to $461,207,417 as compared with $439,700,600 a year ago. Detailed information as to types of business written is not available except that group insurance policies in force are shown as totalling $37,624,000 which compares with $36,703,394 at the end of 1930.

Total assets show an increase of nearly $7,000,000 for the year being $72,221,417 as at December 31, 1931. Free or unapportioned surplus also shows an increase at $2,811,721 as compared with $2,663,631 a year ago.

Analysis of assets shows that 66 per cent of the total are invested in real estate mortgages; 20 per cent in bonds and debentures; 11⅛ per cent in policy loans and liens. The company states that mortgage investments amount to $45,250,000 and gross overdue interest is only $66,076 or one-seventh of one per cent of the principal outstanding. It is also stated that a valuation of the company's securities was made on the basis of Dec. 31, 1931 values and sufficient reserves provided in the annual statement to take care of all excess book values over market values.

Interest earned by the company on its entire invested assets amounted to 6.45 per cent as compared with 6.46 per cent a year ago. Mortality rate for the year was 38.1 per cent.

Reserves on Higher Basis

The company's actuarial report shows that reserves held to meet all obligations under policies issued, were $4,986,000 in excess of Dominion Insurance Act requirements, the company having completed in 1931 the raising of all reserves to a 3 per cent basis.

Comparative figures for 1931 and 1930 as far as they are available for comparative purposes, are as follows:

	1931	1930
Business		
	$	$
New bus. issued	95,101,910	107,189,024
Ins. in force	461,207,417	439,700,600
Assets, etc.		
Total assets	72,221,417	65,346,490
Free surplus	2,811,721	2,663,631
Income		
Prem. & int. inc.	17,705,677	16,605,677

In the Mail

Board Challenges Despatch

Editor, The Financial Post,—

The Board of Education has had your editorial, under date of December 5, 1931, brought to its attention. The despatch from Hamilton, as quoted in your paper, is so devoid of the real facts, that had it not been given so much publicity and prominence by your paper it would be humorous.

So far as the enrolment in public schools is concerned eight rooms in a public school were taken for commercial work during 1931 and the following information will no doubt satisfy you concerning the reference to public school attendance:

Queen Mary School	
New rooms added (of which two were Manual Training and Household Science).	16
Pupils transferred from A. M. Cunningham School in September	70
Pupils transferred from W. H. Ballard School in September	175
Total transferred to Queen Mary	245

Pupils transferred from A. M. Cunningham relieved congestion in that school.

The addition to Queen Mary enabled the board

(1) to give accommodation to two classes, in unsuitable basement rooms in the old building,

(2) to reduce very large classes to moderate sizes,

(3) to supply a manual training centre and household science centre in a convenient location for pupils of Queen Mary, A. M. Cunningham and Lloyd George,

(4) to reduce the distance junior pupils had to travel to reach W. H. Ballard School.

(5) to give adequate room accommodation to kindergarten pupils although these are still required to be kept on half-time.

So far as the Westdale Tripartite School is concerned the following table will show that instead of a decreased attendance of 500, as your journal stated, there is an increase of 340:

	Oct. 1930	Oct. 1931	Increase
Commercial	336	365	29
Technical	456	677	221
Collegiate	538	628	90
	1,330	1,670	340

In conclusion the despatch quoted by you stated plans were approved by the Hamilton Board of Education involving an expenditure of more than $6,000,000 when the amount should have read $600,000.

The Board of Education members feel that they should not have been placed in the unfavorable position as presented by your editorial without some effort being made to confirm its authenticity and accuracy. After reading the information herein contained it is to be hoped that you will give the true facts as much publicity as was given the distorted and irresponsible statement contained in your editorial under date of December 5, 1931.

L. T. SPALDING,
Asst. Secretary-treasurer.

Hamilton,
Jan. 14, 1932.

Editors Note: The editorial to which the above letter refers repeated verbatim a news despatch sent to a Toronto daily paper on November 13. It purported to record facts presented the board by three of the trustees who opposed the board's new building programme.

Work and Wages

Editor The Financial Post:

Sir—The stock argument has been, lower wages means reduced purchasing power and reduced volume of business, but the theory does not stand the test of practical experience. If that is true, why not increase wages and thus increase business In the face of the depression it is natural that the salary man or wage earner should not expect an increase in pay, but with the exceeding low price of all commodities, may it not be quite as illogical to expect the same pay as to seek an increase? If not so, why is the wage scale slipping in so many places where the depression is felt? We have all noted the herculean efforts last spring of President Hoover, Henry Ford, the U. S. Steel Corporation et all to maintain the wage standard, but we see that they have been obliged to bow to an economic law that is irresistible.

If the price of commodities has fallen to a level almost unknown, how unreasonable to expect our salary standard to be maintained. The average price of all commodities is now less than one-half of that before the war, but industrial wages have nearly doubled. We see the purchasing power of the dollar in 1929, now about $1.40. The consumer gets the benefit, but at the expense of the farmer, the producer and the carrier.

In the antipodes they have the same problem we have here. The New Zealand Financial Times says: "New Zealand is a nation of farmers, yet the Government calmly expects the farmers, half of whom are bankrupt and very nearly all of whom are working for nothing this year, and as far as can be seen, are likely to keep on working for nothing for some time to come, to find money to bolster up high wages and free social services."

Also, let me quote the Military Gazette: "Because of the selfishness of human nature every class will fight against its own deflation, but those economic laws keep on grinding, grinding, and sooner or later the grist will be well and trully milled. A stable contented people, a stable contented world, can only rest on a basis of equality of deflation."

Another correspondent says: "The statement made by workers that to reduce wages, automatically reduced the standard of living, is in its broad interpretation a fallacy. The standard of living does not depend upon the level of wages paid so much as upon the quantity of goods a nation produces. And it is a matter of common sense that if all the workers in the country were fully employed, even at reduced wages, the country would be richer and the standard of living higher."

It is apropos to ask, what standard of living may we look for with more than 10 per cent of the workers idle? The word "standard," indeed, seems out of place with such conditions. It is not because of low wages that families are suffering today, but because of no work and no wages. The economic machine lacks equilibrium because of the disparity between our salary standard and the price of wheat, for the price of wheat is ultimately the leveller of all price. The law of supply and demand governs the price of wheat, but the wage standard being in a degree artificial refuses to deflate and come into alignment with the value of the basic products.

We are today making a special effort to settle the vacant lands of this district, a step surely in the interests of both the individual and the nation, but this question of disparity between the remuneration of the rural and urban citizen is thwarting our endeavors. The farmer is under the further handicap of having to sell in an open market and buy the things he requires in a protected market.

—E. S. R.

Fort William, Jan. 12, 1932.

Commends Tax Articles

Editor, The Financial Post,—

I hope I may be permitted to convey to you my appreciation of the excellent work you are doing through the weekly issues of The Post in calling to the attention of the public the vast amount of waste in public expenditures. At a time like the present, when the utmost economy should prevail in the handling of the taxpayers' contributions for governmental purposes, it is highly gratifying to know that you are seeking to give the necessary guidance to those in authority for the economical conduct of the country's business. It is to be hoped that your counsels will be obeyed.

ECONOMIST.

Toronto,
Jan. 14, 1932.

The Bank of Toronto Holds Seventy-sixth Annual Meeting

The Addresses of Mr. W. G. Gooderham, President, and Mr. H. B. Henwood, General Manager, delivered to the Shareholders of The Bank of Toronto at their Annual Meeting, at Head Office, on Wednesday, January 20, are as follows:

Mr. W. G. Gooderham, President:

My first word to you today, before moving the adoption of the Report, must be an expression of satisfaction, which I hope you all share, that our Bank has come through a very difficult year in excellent position and with profits only moderately reduced.

Our gross income has been less, but the decrease has been largely offset by a reduction in expenses through the closing of unprofitable branches and in other ways. with the result that we have been able, after providing for our losses, to earn our dividend comfortably and carry something forward to the new year.

It is unnecessary for me to discuss in detail, or at length, the financial and business situation in this country. You all know that we have not yet emerged from the depression which has afflicted the world during the past two years, nor can we say that signs of improvement are yet apparent. The developments of the year have, in fact, been unfavorable. There has been a further decline in the price level of our primary products. Security prices have continued to sink in this country, and to an even greater extent in the United States and elsewhere. Even more important and far-reaching is the fact that international confidence has suffered a decline, as a result of which the United Kingdom has been forced to discontinue gold payments for the time being, precipitating similar action on the part of several other countries. Our own country is still on a gold basis officially; our currency is backed by gold to the extent required by law, and our securities held outside and payable in gold are being redeemed according to the terms of the obligation. Our exchange, however, has fallen to a discount of 15% to 20% in terms of American dollars.

International as well as domestic commerce is largely carried on by the use of credits. Under conditions of confidence, money, which is said to have no country, flows freely where it is most needed. By this means international exchanges are maintained at normal levels. A clearer perception of economic and financial derangement in practically all countries, even creditor countries, has caused liquid capital to take fright. As a consequence, credits have ceased to be readily available, international trade has been seriously curtailed and prices continue to fall. The great need of the times would therefore seem to be the re-establishment of confidence to the end that money may again flow freely and international exchanges be stabilized.

There is only one way in which either private or national credit can be improved and maintained. Budgets must be balanced; outgo must not exceed income and a balance must be maintained through limiting expenditures rather than by misuse of the taxing power. The burden of onerous taxation is soon reflected in decreased purchasing power at home and impaired ability to compete in world markets.

Much has been said and written in these days regarding the gold standard. The depreciation in national currencies, suspension of gold payments and consequent trade stagnation, are often attributed to an insufficient supply of monetary gold and the mal-distribution of reserves in this form. When we make mistakes it is natural to point, if we can, to circumstances beyond our control. We look for a scapegoat. The scapegoat in this instance is the gold standard, but the fault undoubtedly lies in the extravagant and wasteful public expenditures which have characterized almost the entire world in recent years, going back to the war but continuing through subsequent peace years down to and including even last year. Depreciated currencies are the result of the top-heavy debt structure which has been built up—peace debts upon the top of war debts. Even if greater use could have been made of silver as a medium of exchange, which we doubt, the crash although possibly delayed would have arrived just the same, and probably in more severe form. If the different countries of the world will put their affairs in order and by so doing create the basis for a renewal of international confidence, the difficulties of exchange will disappear. In private business, good management is regarded as of the very first importance. It is even more necessary in public affairs, but political management is rarely good and I do not know how it can be improved. Lessons such as we are now receiving are salutary, but unfortunately are soon forgotten both by the politicians and the electorate.

Growing out of the economic and financial difficulties affecting practically all countries, there has developed the tendency to erect tariffs which are almost prohibitive. Probably no country believes in these nearly prohibitive barriers unless it be our neighbors to the South, and there are indications that they are beginning to be doubtful, but each one feels compelled to adopt them in self-defence because others are doing so. The notion that international trade can be one-sided is ridiculous and impossible. Trade means an exchange of goods and services, and such exchange must be on a fair basis in international as in domestic markets or it will not continue. It is often necessary, however, for folly to prove itself in practice as well as in theory, and this we think is being done at the present time. There can be but one result—tariff adjustments which will facilitate trade instead of strangling it. In the meantime a great opportunity is presented to the nations of the British Empire to lead the way in closer co-operation among themselves. We look to the coming Imperial Conference at Ottawa to make a start in this direction. The task is admittedly difficult, and too much should not be expected, but if approached in a spirit of give and take we can reasonably hope that substantial benefits to this country and to the Empire as a whole may be realized.

We note that the price level of our primary products is back to approximately pre-war levels. Farm products now average somewhat below that level while wage rates, which in recent years have averaged about double the pre-war level, have declined but slightly, and taxes are at least double and in many cases three times what they were twenty years ago. We cannot control prices, but wage rates, public debts and taxation are largely in our own hands, and it is clear that Canada cannot be prosperous until a better balance has been reached. A hopeful factor is the way in which many business concerns have met the situation by bringing their costs down to less than their income. The application of this principle to public affairs will go far towards correcting the situation.

The credit of this country and of its Provinces and older Municipalities, which has always been of the best, has in recent years become endangered by lavish public expenditures—public works, roads, education, railways, welfare schemes, and so on — all well enough and doubtless desirable, but extravagant and beyond the means of this country at the present time. Government and Municipal officials, however, now appear to be impressed with the necessity for introducing economies. It is to be hoped that they will continue in this mind and that they will go all the way, and that in this effort they will have the full support of public opinion.

The financial position in Canada is made the more acute because we have, for some years, borrowed extensively in the United States. The demoralization of the security markets in that country has made refunding operations difficult and we are asked to pay much faster than we had anticipated. We are somewhat in the position of a solvent merchant who has always enjoyed a line of credit from his Bank and who is informed, almost overnight and at an inopportune time, that his notes must be paid as they mature. The lesson is proving expensive, but doubtless we shall learn something from it and do more of our financing in Canadian funds in the future.

Referring again to the question of taxation, it may interest you to know that our Bank, after meeting its operating expenses and losses, must earn $8.23 per share for taxes and one kind and another before we earn a dollar for our shareholders. It may be answered that we are, nevertheless, able to pay $12 per share in dividends, but as our shareholders' investment represents $257 per share, as you will see from our statement, the return is less than 5% per annum, or less than the yield obtainable on Government bonds.

Last year we remarked that the visibility was bad. It is still bad, and we make no predictions for the ensuing year. Almost anything may happen in Europe. If creditor and debtor problems between nations can be handled in a constructive spirit and with the intelligence which usually characterizes settlement of such questions in the realm of private business, we may see a lifting of the clouds. Although there is no actual indication of this at the moment. we may reasonably hope that even at the eleventh hour politics will be put aside elsewhere as in England and that questions which are essentially business questions will be dealt with in a business way and in the light of common sense.

The study of economic history is an aid to confidence, even to optimism. We know that the Western world, particularly the continent on which we are fortunately placed, if not unduly handicapped by mismanagement, retrieves its mistakes and recovers lost ground in a surprisingly short time. We cannot doubt that history will again repeat itself in this respect.

Even though we as bankers say it ourselves, the country has reason to congratulate itself on the fundamental soundness of the Canadian banking structure, which is proving equal to the responsibilities resting upon it.

In the seventy-six years of its existence our Bank has passed through many periods of depression, some of them merely local or domestic, others of world-wide consequence, and while this is probably the most serious that we have experienced, each of the others probably appeared equally serious at the time.

It is now over fifty years since I became a Director of this Bank. During this considerable period I have learned not to be overly optimistic in good times nor unduly downcast in periods like the present, for if good times seldom quite realize our hopes, neither do periods of depression ever fully justify our fears.

Before closing, I wish to record our sense of loss through the untimely passing during the year of Mr. John L. Agnew at the early age of 47 years. In addition to his important duties as Vice-President of the International Nickel Company of Canada, Mr. Agnew had a broad grasp of business affairs, and we greatly miss his counsel at the Board and his genial presence among us.

Mr. H. B. Henwood, General Manager:

At the time of our Annual Meeting a year ago we were in the midst of a business depression which we then hoped might soon disappear, but unfortunately the conditions have become more intensified, with the result that our earning power has again suffered.

Profits

The net profit for the year ending 30th November last, after making full provision for all bad and doubtful debts, amounted to the sum of $1,168,915.13, which compares with the sum of $1,339,872.29 for the preceding year.

After making provision for dividends at the rate of 12% per annum, $720,000, taxes $160,000, Officers' Pension Fund $60,000, writing down of our Bank Premises $100,000, we carry forward the sum of $128,915.13 in Profit and Loss bringing the balance in this account up to the sum of $431,908.14.

Total Assets

Of our Total Assets, $126,102,578, we hold in Cash and Securities, Call and Short Loans fully secured $61,813,292, equivalent to 56.19% of all liabilities to the public. We take no credit for having such a large percentage of our assets in liquid form; we think it excessive, though perhaps no disadvantage under existing conditions.

Current Loans and Discounts

Current Loans and Discounts $58,965,041—down $7,155,146 from last year.

The figures at which these assets are taken into our balance sheet have been arrived at after a rigid classification and full provision for all losses, known or anticipated.

Periods of depression such as we have been passing through soon bring lower prices and volume, thereby reducing the commercial demand for credit which necessitates the investment of our returning funds in securities.

Securities

The increase in our investments in securities during the year has been $13,644,351, the total amount under this head, valued at or under the market, being $35,469,857, 93% of which consists of Dominion, Provincial and high-grade Municipal bonds, mainly short-date maturities which have not been subject to the wide market fluctuations that have occurred in long term bonds. You will therefore see that just as soon as there is a definite improvement in business we are in a good position to expand our commercial loans through sales of these securities.

Bank Premises

Our Bank Premises at $3,805,525 are set down at slightly under 50% of their cost.

Circulation

Notes in circulation $6,691,889, against $7,539,424 a year ago, and $8,796,048 two years ago, reflects the decline in volume of business and prices during the past two years.

Deposits

For the year ending November 30th last the total deposits in the Banks show a decline of $74,995,200 from the previous year, or 2.95%.

In our own case we are indeed fortunate in being able to report a total of $100,804,703, which is a slight increase of $80,000 over the figures of a year ago. The number of our depositors has again shown a very satisfactory increase during the year.

Branches

There were 191 branches of the Bank in operation at the end of our year, against 204 a year ago, 13 branches having been closed during the year at points where the prospects for remunerative business did not warrant us in continuing under existing conditions.

Inspections

Every branch of our Bank has been thoroughly audited during the year by our own inspection staff, and in addition at Head Office and several of our large branches we have had the usual audit and inspection of our cash, securities and loans, by our shareholders' auditors, thoroughly trained men who, I can say, have on your behalf, with full access to every detail of our business, given us a very complete audit.

General Conditions

As we enter the new year the skies are still clouded and one would be courageous indeed to hazard a guess as to what lies before us, but we do know as a result of our experiences during the past year that the whole world is still being buffeted in the seas of disorganized commerce and finance resulting from the Great War. I believe the storm is gradually abating, but there is much wreckage still strewn about, and every country has its problems to solve before we can hope to proceed on our way without difficulty. In Canada our problems are, perhaps, less difficult than in many other countries.

The President has made reference to the mounting burden of taxation resulting from a pretty liberal program of expenditure on the part of Federal, Provincial and Municipal Governments during recent years. Unless these bodies proceed with extreme caution in the expenditure of public moneys until these heavy tax burdens are materially reduced, our recovery from the present period of depression will of necessity be slow. Few business enterprises, either public or private, can hope to make progress under the serious handicap of excessive taxation.

Railways

In any consideration of national questions our railway situation can scarcely escape attention. It has been for some years, and still is, one of our major problems and the most difficult of solution.

One of the blessings arising out of the depression is that it has made possible broad measures of co-operation between the two systems which could not be reached in times of prosperity. In bad times, public opinion will approve curtailment of services and other economies which in prosperous times they would refuse. It is well known that executives of both systems have been considering ways and means for many months, and we can now feel hopeful of a successful outcome. The Royal Commission which is now at work will doubtless make constructive and helpful recommendations, and we believe the capable Managers of the two systems, with the support of public sentiment, may work out their own salvation.

Empire Trade

Business in Canada has now reached a point where it should quickly respond to any general improvement provided we definitely follow a very conservative policy in all our public expenditures, but we cannot hope for any sustained recovery or advance to greater prosperity until the present serious world problems of commerce and finance are adjusted, and I believe that in the adjustment of these difficulties it is of paramount importance that the British Empire shall stand solidly together in our trade relations when the next forward march towards better world conditions occurs.

The impending Imperial Conference, which is to meet at Ottawa this year, presents the most outstanding opportunity for the linking together of the component parts of our Empire that has ever occurred in our history. Whatever may be said of past efforts in this direction, and a good deal may be said of the tendency of Great Britain to trade with the world without regard to the welfare of her great overseas family, the time has now arrived when she should be willing to devote herself, both financially and by a definite trade policy, to the upbuilding of her Empire, and to discriminate, in all her foreign relations, between her own people and other people if she is to hold the allegiance and support she has always had from her Dominions; otherwise she must accept the consequences of her lack of interest in their prosperity which must surely result if they are driven to make the best arrangements they can with other countries.

For many years past our friendly neighbors to the South have shown their faith in our future by an immense investment of capital in our industrial development in our country, but the day of opportunity for Britain has not yet passed.

Canada has forged ahead far beyond the conception of the average English business man as an industrial nation. We are no longer merely a country of natural resources and raw materials to be drawn upon at prices always subject to world competition with no preference even if we are part of the Empire. For many years past our future prosperity has been plainly indicated by our steady agricultural and industrial development, and through discoveries of immense mineral resources and vast water powers of which over 6,000,000 horse power is now developed. These natural resources and our position on the main street of the British Empire inevitably point some day to a population far in excess of what we now have.

As the years have passed, it has been increasingly difficult to understand the failure of British capital and industry to actively participate in the development of this part of the Empire. Neither has it been easy to understand why Britain has for long years neglected to give her own family of nations some encouragement by way of preferential trading arrangements in her own market against the outside world, which, without serious cost to herself, would have been of immense benefit to her own people abroad, but if now, through the lack of a broad-minded conception of Empire development, at some sacrifice all around, the opportunity is not grasped at this coming session of the Imperial Conference, we may later on, notwithstanding our attachment to the Motherland, find it more difficult to participate in the movement for a closer partnership in the Empire, which has within its far-flung areas, climatic conditions, natural resources, raw materials and products in sufficient volume to make it a great self-sustaining factor in world trade, and which I believe, if properly cemented together by mutual trade and financial relations, is destined to lead the world.

Staff

There is probably no better test of the value of the service of a staff to a Banking Institution than in periods of difficulty such as we have had to meet during the past year, and I desire, in closing, to express my thanks to every executive and officer throughout the service for their splendid loyalty and devotion to the best interests of the Bank in these trying times.

THE BANK OF TORONTO

Seventy-sixth Annual General Report

PROFIT AND LOSS ACCOUNT

The Balance at credit of Profit and Loss, on 29th November, 1930, was		$ 302,993.01
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of		1,168,915.13
		$1,471,908.14
This sum has been appropriated as follows:—		
Dividend No. 198, Three per cent paid 2nd March, 1931	$180,000.00	
Dividend No. 199, Three per cent paid 1st June, 1931	180,000.00	
Dividend No. 200, Three per cent paid 1st Sept., 1931	180,000.00	
Dividend No. 201, Three per cent payable 1st Dec., 1931	180,000.00	
		$720,000.00
Tax on Circulation	$ 60,000.00	
Reserve for Accrued Taxes	100,000.00	
Transferred to Officers' Pension Fund	60,000.00	
Written off Bank Premises	100,000.00	
		320,000.00
Carried forward to next year		431,908.14
		$1,471,908.14

GENERAL STATEMENT, *[30th November, 1931]*

LIABILITIES

Notes of the Bank in Circulation		$ 6,691,889.00
Deposits bearing interest, including interest accrued to date of statement	$81,056,837.63	
Deposits not bearing interest	19,747,866.06	
		100,804,703.69
Balances due to other Banks in Canada (daily exchanges)	289,778.00	
Balances due to Banks and Banking correspondents in the United Kingdom and Foreign Countries	1,322,431.81	
		1,612,209.81
Quarterly Dividend, payable 1st December, 1931	$180,000.00	
Dividends Unpaid	853.00	
		180,853.00
Letters of Credit outstanding		1,190,096.82
Liabilities not included in the foregoing		190,918.46
		$110,670,670.78
Capital paid up	$6,000,000.00	
Rest	9,000,000.00	
Balance of Profit and Loss Account carried forward	431,908.14	
		15,431,908.14
		$126,102,578.92

ASSETS

Current Gold and Silver coin	$ 355,825.23	
Dominion Notes	8,838,580.00	
Deposit in the Central Gold Reserves	1,630,866.66	
Notes of other Banks	678,735.00	
United States and other foreign currencies	27,389.10	
Cheques on other Banks	6.797,219.74	
Balances due by Banks and banking correspondents elsewhere than in Canada	1,636,641.34	
		$ 19,965,257.07
Dominion and Provincial Government Securities, not exceeding market value	$25,930,736.36	
Canadian Municipal Securities and British, foreign and colonial public Securities other than Canadian not exceeding market value	7,401,754.36	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,137,366.86	
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks and other securities of a sufficient marketable value to cover	6,378,177.80	
		41,848,035.38
		$61,813,292.45
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful Debts	$58,721,076.37	
Non Current Loans (estimated loss provided for)	243,965.21	
		58,965,041.58
Deposit with the Minister for the purposes of the Circulation Fund		$ 297,673.27
Mortgages on Real Estate Sold		30,949.61
Liabilities of Customers under Letters of Credit, as per contra		1,190,096.82
Bank Premises, at not more than cost, less amounts written off		3,805,525.19
		$126,102,578.92

W. G. GOODERHAM,
President

HARVEY B. HENWOOD,
General Manager

TORONTO, *30th November, 1931.*

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto:

We have examined the books and accounts of The Bank of Toronto at its Head Office and have been furnished with certified returns from the Branches, and report that the above statement of liabilities and assets as at the 30th November, 1931, is in accordance therewith, and in our opinion discloses the true condition of the Bank. We have verified the cash and the securities representing the Bank's investments held at the Head Office at the close of the Bank's fiscal year, and during the year we have counted the cash and examined the securities at certain of the important branches. We have received all the information and explanations we have required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

D. McK. McCLELLAND
of the firm of Price, Waterhouse & Co.

A. B. SHEPHERD
of the firm of Peat, Marwick, Mitchell & Co.

TORONTO, 22nd December, 1931.

Other People's Views

Empire Trade Agreements

Journal of Commerce, New York.—The Canadian Minister of Trade and Commerce is now returning from Honolulu after having reached an agreement with the Minister of Finance and Customs of New Zealand relative to trade relations between the two countries. The adjustments agreed upon are expected to benefit materially both dominions. Although the details are being withheld and may not be divulged until the treaty is presented for ratification by the two parliaments, it is understood that the various New Zealand natural products and Canadian manufactured goods are affected.

It is pointed out that Canada buys considerable wool from the United States and that this trade might well be transferred to New Zealand. Canada also imports mutton and lamb from this country, whereas these products could be purchased from the sister dominion. Canada on her part hopes to regain her share of New Zealand's import trade, which prior to the cancellation of the previous treaty amounted to about one million dollars monthly. The commodities exported to New Zealand were composed chiefly of manufactured goods. Adoption of the agreement is expected as a matter of course and Canada will as a result have taken another step toward the goal of greater empire trade.

It will be recalled that Canada consummated a trade treaty with Australia and the British West Indies last year and that she has already given notice to France that she wishes to terminate her treaty with that country. Negotiations are under way to enter into a preferential trade agreement with South Africa. Accordingly Canada now has pending or completed treaties with all the principal parts of the empire with the exception of Great Britain and India and is thus in a position to be a successful empire trade conference this summer.

The Dividing Line

Ottawa Journal—Three years ago everybody was commending the vision and foresight of the men behind the construction of a new international traffic bridge connecting Detroit and Windsor. A few months later the decision of another set of engineers and financiers to build a tunnel under the river to link up the two cities met equal commendation.

So a magnificent bridge was completed, with the usual hand-shaking and speech-making across the imaginary line in its centre. A year later the tunnel was opened to traffic with similar ceremonies. Each project cost about $25,000,000, and it simply did not occur to anybody that $50,000,000 was a good deal of money to tie up in enterprises which depended for their financial success on the continuation at a high point of the general level of prosperity.

Last year the company operating the tunnel lost $1,500,000, according to its controller. Figures for the bridge are not available, nor for the ferries which still ply back and forth across the river, but it is apparent now to everyone that transport facilities between Windsor and Detroit were heavily overbuilt, the future heavily mortgaged.

Most of the wisest of men assumed three years ago that prosperity was bound to go on and on, up and up, as though all the laws of economics could permanently be violated in that way. Financial reviews written at the beginning of 1929 make curious reading in the light of developments; and if the Detroit river [illegible] the moment it will be recalled that [illegible] railways, hotels, paved roads and in many other directions under the same impelling motive.

FURTHER SUPPORT FOR EMPIRE PLAN

Further support for a uniform monetary system throughout the British Commonwealth of Nations, is contained in a recent memorandum issued by the Federated Chambers of Commerce of the British Empire.

The memorandum declares that the purchasing power of 91 per cent of the world's population has been reduced below production costs due to world-wide depreciation. No one nation can prevent this deflation, the memorandum contends, and the only group strong enough to take effective measures is the British Empire, within which members could insulate themselves from external competition while re-expanding their currencies.

The proposal is another version of the scheme proposed by J. F. Darling, former general manager of the Midland Bank of England before the Banking and Commerce Committee last May, while in November last a joint committee of the Federation of British Industries and the Empire Economic Union reported in favor of an Empire currency.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 23, 1932 | 10c a Copy; $5.00 a Year | No. 4

SOVIET THREAT AGAIN DARKENS B. C. OUTLOOK

Fear Valuable British Lumber Market May be Lost

From Our Own Correspondent

VANCOUVER.—The threat of Soviet competition has again cast a cloud over the lumber situation on the Pacific coast, and British Columbia interests have been successful in persuading the Dominion Government to seek the facts behind the recent developments and protest against what appears to be an unreasonable attitude on the part of British importers.

If these British importers have their way, according to reports reaching here, Canadian lumber will be virtually shut out of the Old Country market and Soviet lumber will be bought instead at prices with which this country cannot possibly compete.

Big Stake Involved

Nearly 1,000,000,000 feet of lumber are at stake—a sufficient amount to bring prosperity to the industry in British Columbia, long depressed because of the world business slump and the loss of a large section of the United States market because of tariff increases.

Premier R. B. Bennett has wired to High Commissioner Ferguson, asking him to watch the situation closely and protest against the threatened purchase of this large amount of lumber from Russia, instead of from the Empire. One of the features of the proposed deal to which particular objection is taken is that the British lumber buyers are reported to have asked the British Government to give them a guarantee that their contract with the Soviet will not be affected by preferences that may be granted to Empire countries.

Would Ham-String Industry

"In other words, these buyers are attempting to ham-string Canadian lumber and they should not be allowed to get away with it," remarked a leading B. C. lumberman. "If the Soviet sells this amount of lumber to Great Britain this year, we will be absolutely shut out of the market. It will be a staggering blow to the industry, especially in view of the long road we have been travelling lately to build up our sales in the British market. Until now we had received every encouragement from that quarter. All our hopes of success will be dispelled if Britain now turns against us and buys from the Soviet."

There are large quantities of lumber now in Britain and if the Soviet deal is completed, there will be no further demand for lumber for at least ten months, it is stated. Not only will Canada be shut out of the British market, but Sweden and Finland will also suffer, and eventually the Soviet will be in a position to dictate terms to Britain so far as lumber supply is concerned.

Price Much Lower

The Soviet figure quoted is $6 a thousand feet less than the prevailing rate. It would be impossible, owing to the difference in living standards and labor costs, for Canada to compete on those terms.

British Columbia lumber exports to Great Britain have already suffered as a result of the drop in sterling. Russia's shipments of lumber to Great Britain have doubled since the war, and the Soviet is said to have set 2,000,000,000 feet annually as the total sale to Britain.

Advices from London indicate that the only effective means of combatting Russian competition in Britain is legislation to prohibit exports or the placing of all lumber orders under the control of a central organization such as the Softwoods Association of London.

Brazil Hopes to Pay Debt; Chile May Scale Down

Economic Conditions Bear Heavily Upon South American Republics Whose Bonds Are Held in Canada

ARTICLE SEVEN — BRAZIL AND CHILE

On October 19, 1931, the Government of Brazil announced a moratorium of three years on all but three of its foreign obligations, thus defaulting in the payment of interest for the third time in the history of the country. In 1898 and again in 1914 Brazil found it necessary to defer interest on the external debt due to circumstances very similar to those existing today.

Canadian investors have for years been particularly interested in the progress of South America's largest republic because of a substantial investment of capital in the Brazilian Traction Light, Heat and Power Company. The common stock of this company is listed on the Toronto and Montreal Stock Exchanges and is widely held throughout Canada. Consequently Canadians have followed closely the fortunes, and more recently the misfortunes of Brazil and are familiar in a general way with present difficulties and the prospects for the future. Many holders of Brazilian government or state bonds, however, may wish to have a brief summary of recent developments and so, without going into detail, the salient features of Brazil's credit position are herewith reviewed.

Largest in South America

With an area of 3,275,000 square miles and a population of over 40,000,000 the United States of Brazil is the largest both in size and population of all the South American republics. The country is immensely rich in natural resources but backward in their development. This is largely due to the character of the people of whom about two-thirds are negroes or natives or a mixture of both. Among the valuable resources are agricultural areas of great fertility producing about two-thirds of the world's supply of coffee and a variety of other products including corn, cotton, rice, cacao, etc. It is said that Brazil contains the world's richest deposit of iron ore and also appreciable supplies of coal and manganese. Livestock is an important element of production, and rubber at one time was a leading export product.

In spite of a variety of resources, coffee has been relied upon to maintain the country's export trade and to contribute a large part of the national income.

Background of Crisis

The political life of the Republic has been disturbed by continuous antagonism among the leading states and by the efforts of each to control the national government. In 1930 the constitutional government was overthrown and a provisional government set up under the virtual dictatorship of Dr. Vargas. The interference of the states in national politics and the dependence of the nation's economic prosperity upon coffee are two of the most serious problems to be overcome.

The present crisis has developed partially as a result of world conditions and partially because of poor management of the country's affairs. Being a heavy debtor nation, Brazil must meet foreign payments of about $200,000,000 each year. The trade balance normally provides from $50,000,000 to $75,000,000 of this amount while the balance has been met by further borrowing. When during 1929 and 1930 it became increasingly difficult and eventually impossible to raise more loans and direct investment in the country ceased temporarily, the Government was forced to use its gold reserves in order to meet the interest payments on its external debt. These gold reserves only lasted one year. The Government is now paying the interest in the form script.

Niemeyer Makes Report

Early in 1931 Sir Otto Niemeyer, of the Bank of England, was invited by the Brazilian government to make a complete study of its affairs. His report was published in July, 1931. Already a number of his recommendations have been adopted indicating the desire of the government to take immediate steps toward the rehabilitation of Brazil's finances. Even the most consistent policy of reform, however, can scarcely be expected to change the financial and economic status of the country in three years' time—which is the period of the moratorium as announced last fall.

The decline in the exchange rate of the milreis from about 11.81 cents in 1929 to about 5.62 cents in 1931 has greatly restricted imports and has stimulated exports. Thus the trade position of the country is improving. The budget for 1931 resulted in a smaller deficit than for 1930 and it is possible that the budget may be balanced in 1932. These are favorable signs. On the other hand a huge coffee surplus still exists, in spite of destruction on a large scale.

The burden of funded debt is heavy since over 40 per cent of all government expenditures are for this account. The external debt represents about three-quarters of the total which is one reason why external bonds are in default. The Republic's trade cannot support such a heavy annual drain on exchange. The remedy is larger exports or more foreign capital investments or both.

People Desire to Pay

In this brief analysis of Brazilian affairs it is impossible to refer to the many factors which add to or detract from the merit of the country's obligations. Foreign bondholders have every reason to believe that the Brazilian people are anxious to preserve their credit standing. Former defaults have subsequently been made good. In the present instance it is likely that cash payments on the foreign debt will eventually be resumed but it appears unlikely that a period of three years will be sufficient to enable the Government to accumulate a gold reserve large enough to assume uninterrupted service on the external debt. Moreover, political stability is essential and a strong government, with the confidence and support of the people, must be established before foreign investors may regard their position as secure.

In addition to the national government of Brazil, several of the 20 state governments have contracted loans in New York and in a few instances these bonds are held by Canadian investors. Since the revolution in 1930 the states have been under the direct control of the federal government which has instructed them to deposit the interest and sinking fund on their external debt with the Banco de Brasil if they are unable to purchase foreign exchange to transfer the payments abroad.

Status of Brazilian States

To date the State of Rio de Janeiro is the only government which has lived up to its loan contracts in full, paying the interest and sinking fund in dollars on January 1 last. The State of Sao Paulo has announced that it will be unable to make further remittances on any of its loans except the 7 per cent Coffee Realization Loan of 1930. Most of the states are depositing service of their debts in milreis with the Banco de Brasil in accordance with the decree of the federal government. The external debts of the states and municipalities are proving a much heavier burden with the milreis at less than half its former value in terms of dollars. It will probably be some time before taxation can be adjusted to meet the increased burden of the debt service.

Chile Suspends Payments

Turning now to the Republic of Chile we find that, as in the case of Brazil, the service on the external debt has been suspended—due largely to the inability of the country to purchase foreign exchange. As yet the government has not announced any plan, such as the payment of scrip, for the protection of foreign bondholders, and no specific period was mentioned for the moratorium.

Nevertheless, government officials have made it clear that they regard the present situation as temporary only and will make every effort to restore the ability of the country to service its foreign debts.

Chile is primarily a mining country and dependent for its prosperity on the production of nitrates and copper, which together account for about 80 per cent of total exports. There is little industrial activity while agriculture is only sufficient for domestic requirements. Both the area and population are small, the former being

(Continued on page 14)

BONDS OF CANADA'S LARGEST CITY

Offered to Yield 6%

THE 6% yield on the City of Montreal bonds offered today is higher than that obtainable at any time during the past decade on issues of this municipality.

These bonds are a direct obligation of the largest and wealthiest city in Canada.

The City is the most important commercial centre in the Dominion, as well as Canada's greatest railway centre and the second largest ocean port in North America.

This issue combines excellent security and a very attractive yield.

For further information, please telephone WAverley 3681, or telegraph us collect.

CITY OF MONTREAL
6% Sinking Fund Bonds
(non-callable)
Due December 15, 1941
PRICE: 100 and Interest
(Plus Transfer Tax)

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

TRADE OF CANADA IN CALENDAR YEAR IS $1,245,341,000

Imports Drop 38 p.c. But Duty Collected Lower by Only 13 p.c.

Total trade of Canada for the calendar year ending Dec. 31, 1931, amounted to $1,245,341,000, a decline of 35 per cent from the previous year's total of $1,913,939,700. The peak year of Canadian trade in dollar value was 1928 when the calendar year total reached $2,596,564,000. Compared with this figure, 1931 trade has declined by 52 per cent in three years.

Of the 1931 total, $617,243,000 is represented by exports which declined 32 per cent from the 1930 total of $905,460,000 while imports for the calendar year at $628,098,000 were 38 per cent below the $1,008,479,000 figure of the previous year.

Duty collected on imports for the calendar year amounted to $120,096,700 as compared with $161,394,600 the previous year, or a decline of only 13 per cent for the year as compared with the drop in total imports of 38 per cent.

Fall in Prices

That this decline was to a large extent due to a fall in prices as well as a decline in volume of trade, is indicated by a special memorandum prepared for The Financial Post by the National Foreign Trade Council of New York which compares the Canadian position with that of the United States and reduces foreign trade to a common basis of 1913 dollar values. The Trade Council says:

"The foreign trade situation in Canada was slightly better than that in the United States both in 1930 and 1931. Compared with the falling off of American export trade by 18 per cent in 1930, with allowance for the drop in export prices, Canada's loss was about 15 per cent, while during 1931 Canada's setback has been by about 20 per cent compared with that of 22 per cent in the United States.

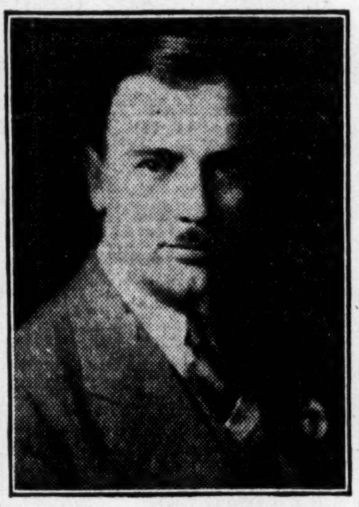
"Canada's export trade for 1930, adjusted to 1913 values, amounted to $781,000,000, a 75 per cent gain over the Dominion's 1913 exports. The depression of 1931 has reduced this gain considerably; nevertheless Canada's exports for 1931 were still more than 33 per cent greater in volume than they were in the year before the war.

"This is sound evidence of the fact that Canada's present economic system is based on solid foundations and is capable of withstanding a heavy pressure from the international trade situation."

A feature of 1931 trade that has attracted considerable attention is the fact that for the last seven months of the year Canada achieved a small "favorable" balance of trade, i.e., an excess of exports over imports. The total of this excess for the seven-month period amounted, however, to only $48,241,600 as compared with an "unfavorable" balance during the first five months of $59,092,400.

Accordingly the net excess of imports over exports for the year totalled $11,850,800 as compared with similar excesses of $103,109,000 and $90,654,000 in 1930 and 1929, respectively. In the three previous years exports exceeded imports by the following amounts: 1926, $275,597,357; 1927, $151,805,800; 1928, $151,928,300. In each of these three years the excess of exports over imports in the month of November, alone, was over $60,000,000 due largely to a heavy fall outflow of wheat.

Sorel Steel Executive



P. H. DESROSIERS

Formerly managing director of Joliette Steel, who has been appointed general manager of Sorel Steel Foundries.

Toronto Elevators Maintains Position

Toronto Elevators Ltd. reports that earnings during the first three months of the current fiscal year, which ends September 30, were substantially in excess of preferred dividends after adequate provision for depreciation and income tax. Working capital position is stated to have been further strengthened and present indications point to a continuance of satisfactory earnings.

In the year ended September 30, 1931, the company earned $13.70 per share of the 7 per cent preference stock and $4.02 on the no par value common shares. At September 30, 1931, the company had current assets of $588,368 and current liabilities of $299,110 leaving working capital of $289,258.

Vancouver Shipping is Stable

More than a thousand deep sea vessels arrived in the Port of Vancouver in the year just passed. The total of 1,034 was 154 less than in the previous twelve months, according to the Vancouver Merchants' Exchange. Grain exports this season to December 31st were 26,620,303 as compared with 30,077,422 bushels for the previous twelve months.

CANADA PAVING HAS RECEIVER; WILL LIQUIDATE

Company Makes Voluntary Assignment on January 18

Voluntary assignment was made by Canada Paving & Supply Co. on January 18 and G. T. Clarkson has been appointed receiver. Formed in 1928 as a merger of 11 construction companies operating in and about the Border Cities of Ontario, progress was slow and results of the merger did not come up to anticipations. Current assets are stated slightly to exceed current liabilities before inclusion of accounts receivable owed by several of the Border Cities which themselves are in financial difficulties. Liquidation of fixed assets is expected to yield some return to holders of the seven per cent first preference stock of which there is $1,943,800 outstanding.

As at January 31, 1931, the company had total assets of $4,188,645. Of this amount $1,095,814 was in current assets, $13,719 in deferred charges and $3,079,112 was given as depreciated value of fixed assets. On this basis the first preferred stock had a book value of $182 per share of $100 par value. This preferred stock has preference to assets to the extent of $110 per share. On the basis of 1931 valuation of fixed assets alone the first preferred stock is covered to the extent of $158 per share but under present conditions it would appear doubtful as to whether liquidating value of the fixed assets would approach the valuation placed on them in the last balance sheet.

Dividend Not Earned

In the year ended January 31, 1931, the company earned at the rate of $7.71 per share on the first preferred and 86 cents per share on the second preferred which is outstanding to the extent of 12,494 shares of $100 par value but which is not held by the public. Consolidation of the constituent companies in the merger was not effected as rapidly as was first expected and during 1930 volume of business fell off by one-third while builders' supply business dropped off still more. Dividend on the first preferred stock due September 1, 1931, was passed due to lack of sufficient business to earn the dividend.

The company is equipped to handle contracts for sewers, pavements, water mains, buildings, foundations and excavation work, gravel work, etc. A general line of builders' supplies has been handled but this end of the business has not been profitable for two years. Operations were centred around the Border Cities but some business has been done in Quebec by a subsidiary, St. Lawrence River Construction Co. and some contracts were handled in the Maritimes in 1930.

Assets of the company include ownership of three gravel docks with two others on long-term renewable leases, a brick plant, asphalt plant, artificial stone and cement block plants, sand and gravel boats, steam shovels, trucks and contractors' and paving equipment.

In a letter sent to preferred stockholders by McLeod, Young, Weir & Co. it is stated that the action taken is regarded as being in the best interests of the first preferred shareholders and that shareholders would be advised of progress of the assignment as information becomes available. The question as to price that can ultimately be realized for the fixed assets is stated to be bound up with the business situation generally and that of the Border Cities in particular.

Voluntary Chains To Organize Further

Canadian Grocer reports that in view of the growth of voluntary chains, that is, groups of grocers and owners of general stores who united to get for each individual the same advantages which caused the growth and expansion of chain store systems, it is probable that further organization will occur by which all the voluntary chains will have a central organization which will aid them to get every advantage in buying that the chain companies have.

Organization to date had proved its advantages, one official of a wholesale grocery firm stated, but a closer working agreement would enable the voluntary chains to take up the question of policy in dealing with food manufacturers who would not give them the same allowances, entrance fees or rebates as were granted to company chains.

Smelters Undertakes Expansion

Development work at Tadanac by the Consolidated Mining and Smelting Company in 1931 included the erection of a $50,000 plant for the manufacture of fertilizer feeding attachments; the manufacture of zinc oxide for use in the making of paints; the installing of a new fuming plant boiler, one of the largest in Canada, and the completion of the sulphuric acid construction programme by the addition of two more units of 112 tons daily capacity each.

CANADA FARED BETTER THAN U.S. IN 1931 FAILURES

Liabilities 2 p.c. Higher Than 1930 — U. S. Up 58 p.c.

An increase of 14 per cent during 1931 in the number of commercial failures in Canada is recorded by Bradstreet's, who report 2,742 failures as against 2,404 in 1930. Liabilities, however, were only 2.1 per cent higher, these being $46,215,039 as compared with $45,301,798 in the previous year.

Comparison with failure records of the United States show that while Canada experienced a bigger increase in the number of failures (the U. S. gain was 8.2 per cent) her record in the matter of aggregate liabilities was vastly more favorable. The increase in the U. S. was no less than 58 per cent, according to Bradstreet's.

Net Losses Per Creditor

The average net loss per creditors per failure in the Dominion was only $9,218 as against $30,989 in the U. S., these figures being the difference between total assets and total liabilities, divided by the total number of failures. This indicates that larger rate of increase in the number of assignments in Canada was due to a larger number of small failures, while the excessively high liabilities of U. S. assignments is attributed largely to the failure of 26,381 banks. Liabilities of these alone ran into $1,475,200,000 out of the total of $2,280,800,000.

Quebec led all other provinces in the Dominion, contributing 1,122 failures with total liabilities of $18,513,000. This compares with 886 in 1930, liabilities then amounting to $16,887,000. Ontario had 807 failures as against 715 in 1930, but the total of liabilities was nevertheless about $1,500,000 lower, being $13,875,000.

Four provinces reported fewer failures in 1931 than in the preceding year, these being Nova Scotia, with 53 against 58; Manitoba, with 192 compared with 223; Alberta, whose 92 compared with 111, and Saskatchewan with 197 as against 204. New Brunswick had the greatest increase, 86 failures in 1931 comparing with 31 in 1930.

Quarterly Record of Commercial Failures 1930-31 (Canada and Newfoundland)

	No.	Assets ($000)	Liabs. ($000)
First quarter:			
1931	761	5,026	10,918
1930	648	7,497	17,396
Second qtr.:			
1931	570	4,359	10,033
1930	515	3,028	7,417
Third qtr.:			
1931	617	4,900	10,023
1930	501	3,351	8,253
Fourth qtr.:			
1931	794	6,653	15,242

New Issue

$15,226,000

City of Montreal

6% Sinking Fund Bonds
(Non-Callable)

$ 3,770,000, Dated December 15, 1931, Due December 15, 1935
$11,456,000, Dated December 15, 1931, Due December 15, 1941

Principal and half-yearly interest (December 15 and June 15) payable in lawful money of Canada at City Treasurer's Office in Montreal, or at the principal office of the Bank of Montreal or at the Banque Canadienne Nationale in the City of Quebec, or at the principal office of the Bank of Montreal in the Cities of Toronto, Winnipeg, Vancouver, Halifax and Saint John, N.B.
Denominations: $1,000 and $500. Bonds may be registered as to principal.

Legal Opinion: Messrs. Meredith, Holden, Heward & Holden for the Bankers and Charles Laurendeau, Esq., K.C. for the City.

These bonds are direct obligations of the City of Montreal and are issued for refunding maturing obligations, defraying the cost of construction of important public works, part of which is for the relief of unemployment, and for other purposes of the City.

Montreal is the largest and wealthiest city in Canada. The City is the most important commercial centre in the Dominion, as well as Canada's greatest railway centre and the second largest ocean port in North America. It enjoys an ideal situation for manufacturing purposes, surrounded by hydro-electric plants which produce an abundance of electrical energy. Montreal is one of the oldest settled communities in Canada, and is the headquarters for many important industrial and financial institutions.

We offer these bonds if, as and when issued and accepted by us and subject to approval of Counsel. It is expected that bonds in interim form will be ready for delivery about January 25, 1932.

PRICE: 100 and accrued interest, to yield 6%
(Plus Transfer Tax)

Bank of Montreal | Banque Canadienne Nationale
The Royal Bank of Canada | The Canadian Bank of Commerce | The Bank of Nova Scotia
La Banque Provinciale du Canada
A. E. Ames & Co. Limited | Dominion Securities Corporation Limited | Wood, Gundy & Company, Limited
Hanson Bros. Incorporated | Royal Securities Corporation Limited | Nesbitt, Thomson & Company Limited
McLeod, Young, Weir & Co. Limited | The National City Company Limited | Harris, Forbes & Company Limited
Drury & Co | W. C. Pitfield & Company | Ernest Savard, Limitée
Fry, Mills, Spence & Co. Limited | Bell, Gouinlock & Co., Limited | R. A. Daly & Co. Limited
L. G. Beaubien & Co. Limited | Hannaford, Birks & Company Limited | Mead & Co. Limited
Credit Anglo-Francais Limited | Collier, Norris & Henderson Limited | Geoffrion & Co. Limited
Société de Placements du Canada | Williams, Partridge & Co. Limited | René T. Leclerc Incorporated

The statements contained herein are based upon information which we believe to be reliable but are in no event to be construed as representations by us.

DOMINION BANK EARNED IN 1931 $13.01 PER SHARE

Assets 6 p.c. Lower But Liquid Position Well Maintained

Net profits, after depreciation and taxes, of $13.01 per share as compared with $14.71 per share a year ago, are shown by The Dominion Bank in its annual statement for the year ending December 31, 1931.

Earnings before depreciation and taxes, amounted to $1,322,287 or about $87,500 below the figure for 1930, being the equivalent of $18.89 per share against $20.14 last year. Among the appropriations from net earnings a new item appears, "provision for depreciation of securities," the amount of which, namely, $200,000, coincides with an item which has been dropped, "written off premises," so that after deducting $840,000 for dividends to shareholders, $211,300 for taxes, and a contribution to the officers' pension fund of $50,000, a surplus of $21,000 is carried to profit and loss account, bringing the amount carried forward up to $465,200.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1931	1930	1929
	$	$	$
Net profits*..	1,322,287	1,409,747	1,522,809
Less appropriations:			
Dividends ..	840,000	839,994	815,322
Bonus	....	70,000	69,944
Pension fund	50,000	50,000	50,000
W/o prem. .	....	200,000	300,000
Dom. & Pro. taxes	211,297	180,078	185,286
Prov. deprec. in secs. .	200,000	....	....
Surp. for year	20,990	69,675	102,257
Add: Prev. surp.	444,219	374,544	272,287
Prem. on new stock	....	3,970	996,030
Less: Transfer to res.	....	3,970	996,030
Bal. carr. fwd.	465,209	444,219	374,544

*After charges of management, interest accrued on deposits, and provision for all doubtful assets.

Assets Well Maintained

Total assets stand at $132,875,079, showing a contraction of about 6 per cent, which is a satisfactory showing in view of the shrinkage during the past year of general business and security values. Liquid position has been well maintained in that immediately available assets, at $61,911,000, in which are included gold, Dominion notes, cheques on and balances due by other banks, government and other securities and call loans—represent 54 per cent of the liabilities to the public. This is a somewhat better ratio than last year.

Among the assets a notable increase appears in the value of Dominion and provincial government securities held, these, at $19,222,000, showing at about $4,000,000 higher than last year. Commercial loans and discounts are approximately $3,500,000 lower at $61,250,000. Volume of call and short loans abroad showed marked contraction, being one-third of last year's figure, at $1,183,400.

Deposits Over $105,000,000

Among the liabilities the most noticeable change is in balances due to banks and banking correspondents outside Canada, these being $1,534,000 as compared with $3,850,000 in 1930. Deposits have been well maintained at a total of $105,449,000 as compared with $107,432,000 in 1930, a reduction of less than 2 per cent. A sharp reduction was shown in letters of credit outstanding, these amounting to $1,622,000, or less than half of last year's figure for this item, reflecting curtailed foreign business and the unsettlement of foreign exchanges.

An analysis of the bank's statement as prepared by The Financial Post is as follows:

GENERAL STATEMENT
As at December 31
Immediately Available Liquid Resources

	1931	1930
Assets	$	$
Specie	1,018,694	1,044,517
Dom. notes	9,367,641	10,111,311
Gold reserve	1,000,000	1,000,000
Due by for. banks	2,122,778	3,272,092
For. curr.	42,360	136,994
Govt. secs.	19,222,879	15,461,330
Call loans abroad†	1,183,401	3,517,969
	33,957,258	34,544,213
Loans and Securities Other Than Those of Canadian Government		
Public securities ..	4,374,813	3,670,108
Rly. & other secs..	2,756,484	2,542,086
Can. call loans ...	13,011,679	14,240,783
Current loans* ...	61,248,987	64,804,522
Loans abroad*	1,643,043	1,952,322
	83,035,006	87,209,821
Due from Other Banks		
Notes of other banks	686,390	754,410
Cheq. of other banks	6,789,818	9,144,746
	7,476,208	9,899,156
Other Assets		
Non-current loans*	222,810	88,829
Real estate	59,035	43,810
Mortgages	15,706	16,500
Letters of credit...	1,622,126	3,415,169
Bank premises	6,031,161	6,052,767
Deposit re circ. fd.	334,950	350,160
Sundry assets	120,829	103,423
	8,406,617	10,070,658
	132,875,079	141,723,848
Liabilities		
To the Public		
Circulation	6,262,303	6,577,218
Govt. advances	....	2,000,000
Deposits by public:		
Demand	20,173,279	20,793,982
Sav. & accr. int.	85,275,817	86,638,425
To banks abroad, etc.:		
Foreign banks ..	1,534,617	3,850,281
Bills payable	....	22,146
Letters of credit	1,622,126	3,415,169
Other liabs.	366,948	494,066
	115,235,090	123,791,282
Due other Can. bks.	963,835	1,207,775
To Shareholders		
Dividend payable ..	210,000	210,000
Bonus payable	....	70,000
Unclaimed divids. .	945	572
Reserve fund	9,000,000	9,000,000
Capital stk. paid in	7,000,000	7,000,000
Surplus	465,209	444,219
	16,676,154	16,724,791
	132,875,079	141,723,848

*After reserve for bad and doubtful debts.

Canadian Western Lumber

Statement of Lumber Manufactured, Sales and Price Realized

November:	1930 Feet	1931 Feet	Decr. Feet
Lumbr mfd.	7,679,560	Nil	7,679,560
Lumber sold	11,055,496	241,630	10,813,866
Price realiz.	$157,919	$2,276	$155,644
Aggre. mftd.* ...	97,232,092	70,842,404	26,389,688
Aggre. sold*	101,297,056	74,862,123	26,434,933
Price realized* .	$1,915,823	$1,067.143	$848,680

*From Jan. 1 to end of Nov.

Note.—Owing to a strike in the company's lumber mills during the entire month of November, no lumber was manufactured and deliveries of lumber were greatly curtailed. The strike has now been settled and the mills restarted on 1st December.

Doubts if Belgian Hens Read Orders-in-Council

"If a man's wife has too many children, or his livestock not enough of them, he blames it on the banking system at once," said Miller Lash, K.C., in the course of a speech at the recent annual general meeting of the Canadian Bank of Commerce, when moving a vote of thanks to the general manager and his staff.

Treating some of the most venerable and respected phases of world business in a similarly irreverent vein, Mr. Lash declared:

"In a period of depression such as this there is a great deal more difficulty in carrying on one's daily work than is ordinarily the case. I think that is particularly true of the staff of a bank, on account of the intimate touch they have with the troubles of the community.

"In addition to the troubles that arise in the actual carrying out of their work, they are subject to outside distractions nowadays, the chief of which seems to me to be the enormous flood of advice and opinion that is poured out on all of us by so-called financial experts or economists, most of which does not seem to us rough-necks to have much practical application. The written stuff we can avoid by not reading it, but we are all more or less familiar with the man with a glare in his eye who insists on telling us all about the Silver Question for instance, touching lightly at the same time on Manchuria and Reparations, Invisible Imports and things like that. It is all very impressive unless one happens to have read the same magazine article that he has.

"To illustrate what I mean. A customer of the bank in a rural district comes to see the manager about a note that is falling due. He tells the manager that he cannot pay the note, because there is something the matter with his hens. There has been a good deal of talk about the economic importance of hens, I think just lately there was an editorial in one of the morning papers about it. He said there was something the matter with his hens, they used to lay eggs worth 30 or 40 cents a dozen, now they are laying eggs worth only 5 or 10 cents. He wanted to know what to do about it. Of course the manager does not know, but he has just had a little lecture given to him by someone on the Silver Question, so he tells the customer all about the silver question. The customer is much impressed and he goes home and tells the hens all about it. The Canadian hen is all fed up on the Silver Question, and it does not do any good.

"I am told that the hens in Belgium are in difficulties too. Until recently Belgium exported to France about 275 million eggs a year. Or perhaps it was 275 million dozen. Anyway it was several eggs. Now France has restricted the importation of eggs. I understand they are passing some orders-in-council about it in Belgium, but I do not believe the hens will pay any attention to them.

Let Brains Worry

"The worries of the staff are also added to in another direction, that is because in some circles there is a tendency to blame everything on the banks, or the banking system. If a man's wife has too many children, or his livestock not enough of them, he blames it on the banking system at once.

"We are told that the best brains of the world are working towards a solution of all these things. Well most of us have a feeling that it was the best brains of the world working overtime that got us into this complicated mess. I think they ought to get us out of it.

"Perhaps the only real solution is for all of us who are fortunate enough to have a job to go on with it as well as we can, efficiently if possible, at any rate diligently and loyally, and that is what the general manager and staff of the Canadian Bank of Commerce are doing.

"I have great pleasure in moving that the thanks of the shareholders be tendered to the general manager and staff for their excellent services in the past year."

Sarnia Bridge Shows Small Surplus in 1931

From Our Own Correspondent

MONTREAL—The financial statement of Sarnia Bridge Co. for 1931 shows a surplus from operations of $4,095 compared with a deficit of $28,144 reported in 1930. In that year payments of dividends increased the deficit to $59,987; during the year just closed no disbursements were made on the common shares.

Changes in the balance sheet include cash up to $1,435 from $319; deposits on tenders down to $350 from $1,300; accounts receivable at $88,652 compared with $60,187 and inventories at $107,312 as against $144,755.

Among liabilities, bank loans are higher by $11,000 at $58,500; accounts payable are up $7,000 at $15,518 and accrued charges are down $4,000 at $5,359. Total assets are $654,584, a decrease of $5,000.

Working capital at $122,523 compares with $138,685 shown at the end of the previous year. Current assets were two and a half times current liabilities.

Duke-Price Power Hold Profits in 1931

From Our Own Correspondent

MONTREAL.—Preliminary statement of Duke-Price Power Co. for the year ended December 31 last, with December estimated, shows net income of $581,300 after interest, depreciation and taxes, equivalent to $2.77 a share on the 210,000 shares of no-par capital stock outstanding. This compares with $592,190, or $2.82 a share in 1930.

Duke-Price is jointly controlled by Aluminum Co. of Canada, Shawinigan Water and Power Co. and Duke-Price private interests.

CANADA CEMENT REPORT FOR 1931 ON STRONG BASIS

Common Stock Earnings Equal to Those of 1930

From Our Own Correspondent

MONTREAL.—Canada Cement Co.'s financial statement for the year ended November 30 last is one of the most satisfactory so far issued by a Canadian corporation covering operations in 1931.

The balance sheet shows an improvement in working capital position; reduction of funded debt; retirement of $34.600 of preferred stock; increase in reserves; and an increase in surplus.

Earned 32c a Share

The income account reveals a gross profit of $5,182,422. This compares with $5,187,495 in the previous year. After taking care of depreciation and interest and larger reserves, there remained a net income of $1,553,191, or only $13,000 less than in 1930. The balance available for the common stock was equivalent to 33 cents a share, or 1 cent a share less than in the previous year.

Particulars of the income account follow:

	1931	1930
	$	$
Gross earnings	5,182,422	5,187,495
Less: Deprec.	2,071,101	2,055,344
Bond int.	1,076,065	1,098,167
	2,035,255	2,033,984
Reserves:		
Fire insurance	161,625	160,507
Repairs, etc.	25,000	25,000
Accidents	7,200	18,400
Contingent	275,000	250,000
Pref. sink. fund ...	13,239	14,062
Net profit	1,553,191	1,566,015
Less:		
Pfd. dividends	1,362,751	1,363,733
Surplus	190,440	202,282
Brought forward	467,987	265,282
Carried forward	658,427	467,987

Working Capital Higher

Examination of the balance sheet shows total assets of $50,800,547. This compares with $51,627,229 at the end of November, 1930. The excess of current assets over current liabilities amounts to $4,291,046, a gain of more than $500,000 during the year.

The statement shows a drop of nearly $300,000 in inventories to $2,113,609. Accounts receivable remain about the same, as also deposits on tenders. Government bonds and other securities have increased from $198,204 to $520,266. Cash on hand shows a healthy gain from $1,206,670 to $1,662,393.

Lower Investments Value

Investments in associated companies and other investments are now carried on the books at $5,607,797, down from $6,097,784. Fixed assets, including land, building, plant, equipment, etc., less depreciation, have a value of $39,633,435, or about $250,000 less than at the close of the previous year.

On the liabilities side of the balance sheet current liabilities are down from $1,781,108 to $1,183,619. Reserves, generally, have been increased and now stand at $1,476,595.

Reduce Funded Debt

The funded debt of the company was cut from $19,600,000 to $19,178,000 during the year through the operation of the sinking fund. The amount of preferred stock outstanding now amounts to $20,965,400, compared to $20,980,500 a year ago. The company shows on its balance sheet that it has redeemed and cancelled 346 shares of preferred stock.

Tonnage Less in 1931

In commenting upon the company's operations last year, J. D. Johnson, president, stated though the total tonnage in 1931 was less than in 1930, operations were on a satisfactory basis owing to the carryover from previous years. Miscellaneous earnings showed improvement over 1930. Economies were effected, due to plant improvement, savings in cost of distribution, etc. On the other hand, the cost of coal increased during the year.

The plants operated at about 60 per cent of capacity in 1931. The reconditioning of the Montreal East plant was completed early in the year. No. 8 plant at Port Colborne was also overhauled and changes made in the system of production.

BRAZIL HOPES TO PAY DEBT; CHILE MAY SCALE DOWN

(Continued from page 13)

293,477 square miles and the number of inhabitants approximately 4,500.000.

For many years the people of Chile have been regarded as possessing a high degree of responsibility for their obligations as shown by the very favorable debt record. It must therefore be assumed that, if at all possible, Chile will not allow a permanent default to stain her credit in foreign markets. For, like Brazil, the Republic of Chile is dependent upon foreign capital for the development of her resources and the balancing of her international accounts.

Not Enough Diversification

From an economic standpoint Chile has been leaning too heavily on nitrates and copper, to be immune from periods of severe distress. It is difficult to see how it could be otherwise, the natural resources of the country being what they are. The future of the Republic is definitely linked up with the market for these two products. Investors in Chilean bonds, therefore, should consider their holdings in the light of a speculation rather than as a sound investment.

Previous to the war Chile was prosperous but the development of synthetic nitrate in Germany has brought keen competition into the nitrate market. The decline in the price of copper from an average of 14 cents from 1926 to 1930 to 7 cents in 1931 also contributed to the collapse of Chile's export trade. Dollar value of exports of nitrates declined 37 per cent and exports of copper 50 per cent in 1930 as compared with the previous year. In 1931 imports have been radically reduced with the result that an export surplus for the year is probable. A large export surplus is essential to provide exchange for the otherwise unfavorable balance of payments. The drain on the country's gold reserve has reduced the gold holdings to $25,000,000 at the end of 1931. While Brazil paid out all of its gold supply before defaulting on its external debts, the government of Chile decided in July last to conserve its holdings and has in other ways restricted the purchase of foreign currencies as well as defaulting on the external debts.

Shows Budget Deficits

The internal financial position of Chile is critical and calls for drastic measures. In 1931 the government faced a deficit of $57,581,000. The floating debt has increased from $36,000,000 at the end of 1930 to over $97,000,000 at the close of 1931. The total debt is $490,000,000 (aside from guaranteed loans) of which $337,625,000 is external. The service charges on the debt account for about 25 per cent of all government expenditures. Because of the heavy budget deficit the government has not been able to deposit interest or sinking fund payments even in pesos.

Politically, Chile is essentially "South American" in its habits. The constitutional government was overthrown in July, 1931, and a period of political turmoil existed until October, 1931, and a period of political turmoil existed when Dr. Montero was elected president. At one stage of this revolution Chile had three presidents in one day.

Even a cursory review of Chilean finances and economic condition discloses many points of weakness. The return to former prosperity in this Republic will be hampered by the fundamental change in the position of its two leading products. No rapid improvement is in sight. The holder of Chilean bonds must therefore be resigned to a lengthy moratorium, while it is not inconceivable that a scaling down of the debt may eventually be necessary.

Mortgage Bank Loans

Several Mortgage Bank of Chile Bond issues were floated in this market in recent years. They were guaranteed by the Republic but like the direct issues of the government are now in default. This is the first time that a default has occurred in any of the bank's obligations. The peso equivalent of the service charges will be deposited with the Banco Central de Chile for a period of two years according to an announcement made by the president of the bank on September 30, 1931. In some respects the mortgage bank issues are entitled to a better credit rating than the direct foreign loans inasmuch as they have the double security of mortgages not exceeding 50 per cent of the value of the property and the guarantee of the national government. The exchange problem is, however, equally difficult with respect to the servicing of these issues.

Next week the credit position of Colombia, Peru, Bolivia and Uruguay will be covered. Previous articles have discussed European countries whose bonds have been sold in Canada.

WOULD LIMIT BUILDING LOANS TO STRUCTURES

Should be Criminal Offense to Use Funds for Other Purposes

In connection with the interest shown by all connected with the building trades in suggestions for amendments to the Mechanics' Lien Act of Ontario, Harry W. Rushby, plumbing and heating engineer, Toronto, is quoted by Sanitary Engineer as expressing the opinion that some provision should be included in the law whereby building loan funds could not be used for purposes other than the construction of the building for which it was intended.

Mr. Rushby felt that, if parties advancing building loans could compel the parties receiving loans to make a sworn statement that funds would only be used in connection with the building on which the loan was made, or if it became a criminal offence to use building loans for any other purpose, most of the difficulties confronting the building industry would be removed.

With a better understanding of the limited application of the Queen's Park Plaza decision, which mortgagees felt destroyed all confidence in the register as showing when prior liens existed, loans are once more being made to reputable builders when the builder secures waivers of liens from the builders' supply houses. Also, when in a progressive loan, the builder furnishes an affidavit of immediate payments to be made and empowers the mortgagee's solicitor to make payments for him, loans are made to builders with a good reputation for meeting liabilities.

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For 60 Years
Confederation Life
Association

Has been building upon the solid foundation of Security and Stability, which is the basis of financial Confidence. The high grade of Securities in which its funds are invested, as at 31st December, 1931, is shown in the following schedule:

		Percentage of Total Invested Assets
Bonds and Debentures:		
Government and Municipal	32.36%	
Other	19.64%	
		52.00%
Mortgages:		
City and Town	15.25%	
Farm	2.47%	
		17.72%
Policy Loans—Ordinary Premiums		15.77%
" " —Single Premiums		5.49%
Real Estate		4.22%
Common Stocks		2.49%
Preferred Stocks		1.79%
Sundries		.52%
		100.00%

FINANCIAL POSITION, DECEMBER 31st, 1931

TOTAL ASSETS
$88,490,249

SURPLUS AVAILABLE FOR FUTURE DISTRIBUTION
$8,649,245

Full provision has been made for depreciation in Security values, as determined by the Dominion Government Insurance Department.

NEW INSURANCE IN 1931
$53,852,452

TOTAL INSURANCE IN FORCE
$381,085,182

Increase of $12,058,612 over 1930

PAID TO POLICYHOLDERS and BENEFICIARIES
Since 1871
$94,580,514

To Living Policyholders $60,647,353
To Beneficiaries of Policyholders $33,933,161

In 1931, satisfied Policyholders of the Confederation Life Association, resident in Canada, applied for additional insurance, and were accepted, to an amount equal to 40% of the Company's total Canadian business for the year.

RECORD OF PROGRESS IN PAST 10 YEARS
Ratio of 1931 to 1921 Figures

Business in Force	Assets	Surplus	Total Income
262%	290%	365%	289%

Payments to Policyholders	Dividends Paid to Policyholders
426%	511%

Confederation Life
Head Office Association Toronto

C. S. Macdonald,
President and General Manager.

R. S. Waldie,
Col. J. F. Michie,
Vice-Presidents.

Insurance for Buyer and Seller

CONFEDERATION'S BUSINESS IN FORCE UP TO $381,000,000

New Policies Issued and Revived Total Nearly $54,000,000

New assurance issued and revived of $53,852,452 during 1931 as compared with $67,792,346 a year ago were reported by Confederation Life Association which held its annual meeting at Toronto this week. Business in force on the company's books increased by $12,058,612 during the year, the total as at December 31, 1931, being $381,085,182. Total assets increased by $6,550,000 to $88,490,249.

Analysis of the company's assets reveals the largest percentage, namely 32.36 per cent to be in government and municipal bonds; 19.64 per cent in other bonds and debentures; 17.72 per cent in mortgages on real estate divided as follows: 15.25 per cent in city and town properties, and 2.47 per cent in farm properties. Loans on policies show an increase for the year of $2,300,000 and stand at 21.26 per cent of total assets. A third of these are in loans on single premium policies. The company has approximately 4.2 per cent of its assets in common and preferred stocks.

Annuity Income Doubled

Premium income is higher by something over $200,000, a smaller first year income being more than offset by larger income from renewal premiums and by a doubling of the sum received in consideration of annuities. Moneys received from interest and rents was also higher by $250,000. Payments to policyholders increased from $8,737,691 a year ago to $9,880,386 due largely to a higher volume of surrendered policies. Excess of income over disbursements remained within $200,000 of the $6,500,000 figure of a year ago.

Surplus earned during the year amounted to $2,616,244 as compared with $2,940,600 a year ago, while both free and contingency surplus accounts show increase amounting in all to nearly $700,000 over the 1930 figures.

Foreign Expansion Planned

At the company's annual meeting it was pointed out that additional assurance applied for and accepted from those previously holding policies in the company, amounted to approximately 40 per cent of the company's total business in Canada for the year. Col. J. F. Michie, vice-president, also announced that the company had resumed active operations in Mexico, and was investigating the conditions and opportunities for doing business in Shanghai and several other of the treaty ports of China. It had also been decided to extend the company's operations in Central America to the Republic of Panama and the Panama Canal zone. In Great Britain, where the company has been operating for the past twenty-five years, extension of its group insurance activities to this field is under consideration.

The board of directors was reelected as follows: Charles S. Macdonald (president and general manager), Robt. S. Waldie (vice-president), Col. J. F. Michie (vice-president), John Firstbrook, James E. Ganong, Wilmot L. Matthews, B. B. Cronyn, W. C. Laidlaw, Arthur F. White, Charles P. Smith and P. A. Thomson.

Comparative figures from the company's 1931 and 1930 statements are as follows:

	1931	1930
Business	$	$
New ins. issued* ..	53,852,452	67,792,346
Total in force	381,085,182	369,026,570
Cons. for annuities	904,886	399,153
Income and Disbursements		
Prem. inc. (net) .	14,639,119	14,405,745
Int. & rents (net) .	4,281,237	4,029,839
Payments to policyholders	9,880,386	8,737,691
Excess of rec. over disbursements ...	6,350,427	6,546,003
Assets and Liabilities		
Total assets	88,490,749	81,936,094
Bonds & debent.†	43,654,686	40,171,363
Stocks	3,592,417	3,571,502
First mortgages .	14,813,960	14,451,480
Policy loans	17,846,809	15,554,306
Total surplus	8,649,245	8,828,491
Contingency surp.	1,076,965	546,162
Unallotted surp..	966,530	768,325

*Includes revivals. †At amortized values.

To Reduce Directorate Of Ontario Equitable

Shareholders of the Ontario Equitable Life and Accident Insurance Co. have received a notice calling a special general meeting for Feb. 1 at the head office of the company, Waterloo, Ont., for the purpose of passing a by-law reducing the number of directors to fifteen.

The annual general meeting will be held on the same day at the same place, at 1.45 p.m.

Jan. 21 is Dedicated To Life Insurance

January 21 is "Life Insurance Day."

The theme is "Give more thought to the life insurance you own."

It was established in Canada three years ago by a joint committee of the Life Agency Officers and Life Underwriters' Associations.

Its object is to inspire policyholders to budget their incomes, take stock of the provisions they must make for future essential expenditures, and to safeguard the future welfare of themselves and families.

Who Pays Cost Insurance War Asks Manager

Caustic comment on the present insurance jurisdiction battle and its relation to government expenditures at the present time, is offered in a letter received this week by The Financial Post. It is written by the manager of an important life company operating in Canada. He says:

"Your insistence upon the necessity of economy in public services at the present time is most commendable and it is to be hoped that the businessmen of Canada may give your efforts the support necessary to bring the federal and provincial governments to a better realization of their duty in this crisis.

"As an insurance man I read with much interest your article entitled 'Ottawa Plans New Statute on Insurance.' Which appeared alongside your reply to the plan of the Ottawa Journal for a continuance of extravagance. It struck me that there was much food for meditation on the part of the Ottawa Journal in the position shown as regards the contemplated new insurance statute. We are told that 'the atmosphere is rather like that of a military campaign,' 'for the moment the defeated general is more concerned with winning the next battle than anything else,' 'each insurance case costs many thousands of dollars,' 'practically all of the sections dealing with contracts will be wiped out.'

Magnificent—But Who Pays?

"This is war and it is magnificent, but who is paying? Would the Ottawa Journal contend that it would be quite impossible for the legal officials of the Dominion to get together with the legal officials of Ontario and settle the whole matter in one afternoon? I can say with certainty that there is not one insurance manager in Canada who welcomes all this conflict. I imagine there are just as few policyholders, seeing that it is the policyholders who eventually pay for the upkeep of insurance departments while paying also in their capacity of taxpayers for expensive government lawyers.

"The point would probably have very little direct effect upon the high expenditures to which you call attention, but indirectly it would be of enormous benefit to taxpayers if federal and provincial authorities would meet to make an attempt to eliminate the useless, instead of wasting time and money on such stupid tactics as your article refers to.

"A final question is as to whether such a large staff will now be required by the federal insurance department. If this question were answered from the businessman's point of view the answer would, of course, be in the negative."

MUTUAL OF CAN. BUSINESS IN FORCE OVER HALF BILLION

Paid-for Business Totalled $53,200,000 in Past Year

New insurance paid for in 1931 by Mutual Life of Canada amounted to $53,193,505 as compared with $59,355,367 the previous year, according to preliminary figures issued by the company last week. Total business in force shows an increase of $20,546,000 for the year and now stands at $513,379,937, the company having now crossed the half billion dollar mark in this respect.

No details of the company's balance sheet are available but total assets are shown at $125,848,000, an increase of over $9,000,000 for the year. Free surplus is higher by $236,000 at $4,538,344, but the company's general investment reserve now stands at $826,491 as against $1,400,000 a year ago. Interest earned on invested assets is shown at 5.73 per cent for the year as compared with 6.13 per cent in 1930. The company also reports the lowest expense ratio in its history.

Income account on a revenue basis shows net premium income of $18,879,000, an increase of over $1,000,000 from 1930 while income from rents and interest earnings is higher by $500,000 after deduction of $394,000 for "possible loss of interest on farm mortgages."

Comparative figures for 1931 and 1930 are as follows:

	1931	1930
Business		
New ins. paid for	$53,193,505	$59,355,367
Business in force, Dec. 31	513,379,937	492,833,318
Income (Revenue Basis)		
Net prem. inc. ..	18,879,020	17,809,364
Int. & rents* ...	*6,489,519	5,946,399
Total income ...	27,800,588	25,883,722
Excess inc. over disbursements .	9,221,309	8,826,183
Assets, etc.		
Total assets	125,848,129	116,662,060
Free surplus	4,538,344	4,302,023
Gen. inv. reserve	826,491	1,400,000

* After deduction of $394,287 for possible loss of interest on farm mortgages.

IMPERIAL LIFE ASSETS HIGHER BY $3,128,000

Bond Amortization Recommended By President at Annual Meeting

New business issued and revived by Imperial Life Assurance Co. during 1931 totalled $31,654,702 as compared with $37,350,210 the previous year, according to the company's annual report presented at the annual meeting held in Toronto this week. Total assets are higher by $3,127,926 while surplus is lower by approximately $1,000,000 which is represented by the transfer of a corresponding amount of free surplus to a general contingency reserve fund. The company has in force at the end of the year assurances of $301,467,126 as compared with a corresponding figure of $300,932,203 in 1930.

Assets Analyzed

Analysis of the company's investments reveals that the company has revalued bonds, debentures and stocks during the year to bring them "well within the valuation set by the Dominion Insurance Department." This has been done, say the directors in their report to shareholders, "without departing from the stringent basis on which we have always calculated our assurance and annuity liability, this basis bringing out a reserve liability over $1,500,000 in excess of government requirements.

Distribution of assets reveals that mortgage loans on business and residential properties in Canadian cities comprise 19 per cent of the total; and first mortgages on farm properties 5¼ per cent. The average rate of interest earned was 5.82 per cent as compared with 6 per cent a year ago. The most important single groups of assets is bonds and debentures which comprise approximately 47 per cent of total ledger assets, and of these $13,955,000 are bonds of or guaranteed by the Dominion, the provinces, or larger Canadian or U. S. municipalities. Policy loans which are $1,500,000 higher than in 1930 now form about 21.9 per cent of the total. Stocks form 3.9 per cent of the total. Payments to policyholders during the year were $7,637,747 as compared with $6,530,785 a year ago.

In his annual statement to shareholders and policyholders. Mr. Morrow also advocated the adoption of an amortization basis for valuation of bonds and debentures. In this connection he said:

"This method of valuation for financial statements of life companies, which companies are not buying for speculation but with the intention of holding their bond and debenture investments until maturity, is a sound one and has much to commend it over the more stringent and often artificial market quotation method of valuation required of Canadian companies."

Summarized figures from the company's 1931 statement compared with a year ago are as follows:

	1931	1930
Business		
Ins. issued and revised	$31,654,702	$37,350,210
Bus. in force ...	301,467,126	300,932,203
Income		
Net prem. inc. ..	10,650,088	10,720,464
Interest, etc. ...	3,272,440	3,152,984
Excess income over disb.	2,906,496	4,722,372
Assets and Liabilities		
Net ledger assets	62,777,183	59,870,686
Total assets	66,147,753	62,979,827
Surplus	3,724,875	4,732,294
Cont. res. fund .	1,000,000	......
Res. for assur. & annuities	55,849,029	52,504,981
Mortgages	15,346,117	14,486,738
Bonds & debs. ..	29,456,778	29,044,445
Policy-loans	13,724,992	12,197,983

Great West Life Deletes Income Disability Benefit

Great West Life Assurance Co. have notified their representatives as follows:

1. The monthly income disability benefit will be withdrawn as from February 1, 1932. The benefit will, however, be allowed where the application is taken prior to the said date and is received by the branch office not later than February 2, 1932.

2. The waiver of premium disability benefit will be continued for the time being as at present. It is expected, however, that minor changes will be made shortly in the premium rates and policy wording and that the rules regarding the eligibility of applicants for this form of disability will be revised.

It is understood that many other Canadian companies are contemplating similar action, and that those which are continuing the monthly income disability benefit will naturally restrict its scope.

1931 Applications—$78,339,973

Applications received by The Great West Life Assurance Co. during 1931 had a total face value of insurance of $78,339,973 as compared with $88,589,135 for the previous year.

Bank Chat

The Canadian Bank of Commerce announce the following staff changes:

A. R. LAND, former manager at Niagara Falls South, appointed manager at Grimsby, Ont.

J. A. CAMPBELL, formerly manager at Grimsby, appointed manager at Niagara Falls South, Ont.

R. F. ROSS, formerly of the Somerset St., Ottawa, branch of the Royal Bank, appointed accountant at the Prescott, Ont., branch.

E. A. HAMILTON has been transferred from the Prescott branch of the Royal Bank to the main branch at Montreal.

GROUP LIFE PLAN FOR DRUG BODY

Ontario Association Discusses Great West Life Proposal

A proposal for group life insurance with the Great West Life Assurance Co. has been placed before members of the Ontario Retail Druggist Association.

Details covering the policy and application blanks were sent to members at the end of last year, and a 75 per cent response among the membership is necessary to make the plan effective. If successful, the plan will go into effect February 1.

There are two classes of members in the O. R. D. A. as follows:

1. Active members who are owners of businesses.
2. Associate members who are graduates or non-owners.

Owners can obtain a $2,000 policy and graduate clerk a $1,000 policy, the rate being $12.50 (approximately per thousand).

Three main conditions must be complied with, namely, that applicants must be (1) a member of the O. R. D. A., (2) actively engaged in business, and (3) under 60 years of age. Policyholders who at any time cease to be members of the O. R. D. A. can convert their group policy into an individual policy without medical examination by paying the then rate of premium for such policy. The contract covers the lives of policyholders up to the age of 65 at the group rate after which the insured has the privilege of conversion to another policy without medical examination.

Queen City Fire Extends Charter

Queen City Fire Insurance Co. has applied for an extension of its charter in Ontario so that it can undertake and transact any type of insurance for which a joint stock company may be licensed under the Ontario Insurance Act.

Insurance Inklings

J. F. MOUTAIN has joined the staff of the Mutual Relief Life (Montreal branch) as insurance counsellor.

H. C. HUCKVALE has been appointed Toronto manager for Travellers Fire Insurance Co. of Hartford. Mr. Huckvale was formerly insurance manager for Wood, Fleming & Co., Toronto, and was also at one time insurance inspector for Yorkshire Insurance Co. in the Ontario territory.

TORONTO BAY STREET branch of North American Life, headed by Murdoch Ferguson, manager, carried off the company's underwriting trophy, the Nalaco Cup, in 1931. This was the agency's first year of existence.

FRED G. TAYLOR, formerly provincial manager for the Excelsior Life in New Brunswick, has been appointed provincial manager with the same company for Nova Scotia. The Nova Scotia territory was formerly in charge of S. M. Beardsley, who has now retired after 21 years of service. Pending the definite appointment of a new manager in New Brunswick, Mr. Taylor will continue supervision of that territory in addition to his new duties.

Sun Life Branch Sets New Record

That Sun Life Assurance Co. had in 1931 secured $291,000,000 of new business from the United States; $100,000,000 from Canada, $50,000,000 from Great Britain, and $85,000,000 from other parts of the world, was disclosed by Arthur B. Wood, vice-president and actuary of the company at a complimentary banquet tendered to him by John A. Tory, supervisor of Western Ontario branch this week. During the company period commencing December 13 and ending January 12, this branch secured the greatest volume of paid-for business in the company's history. Policies allowed to lapse were also lowest in the company's history it was stated.

Licenses Issued

The Department of Insurance, Ottawa, announces the following licenses issued:

The First Catholic Slovak Union of the United States of America, —authorized to transact in Canada the business of life insurance to the extent authorized by its articles of incorporation, constitution and laws. R. Douglas Hill, Toronto, has been appointed Canadian chief agent.

North British & Mercantile Insurance Co., Ltd.—Authorized to transact earthquake insurance in addition to the classes for which it is already licensed.

Two companies have been licensed to transact the following classes of business in addition to those for which they are already licensed:

Phoenix Assurance Co—Accident, guarantee, inland transportation, plate glass, and sickness.

Union Marine & General Insurance Co.—Guarantee.

Springfield Fire & Marine Insurance Co.—Has been licensed at Ottawa to transact fire, hail, sprinkler leakage, tornado, inland transportation, explosion, automobile insurance, excluding insurance against loss by reason of bodily injury to the person, and insurance against loss of or damage to personal property, to the extent permitted by the company's act of incorporation and the insurance laws of Massachusetts.

ONTARIO

Lumber Mutual Fire Insurance Co., of Boston, Mass., is authorized to transact fire, hail, weather and property insurance in Ontario for term ending June 30, 1932.

Current Events in Banking World

BUILDING PLANS OF BANKS IN 1932 STRICTLY LIMITED

Canvass by The Post Reveals Nothing on the Schedule

A general shut-down on bank building operations during 1932 is indicated from enquiries made by The Financial Post at the head offices of a number of Canadian banks.

A year ago some definite plans were in hand, these including new head office buildings for the Bank of Nova Scotia and the Imperial Bank. In the case of the former institution operations got as far as the awarding of the contract for a $7,000,000 structure on the site of the old Cawthra House at the corner of Bay and King Streets, Toronto, but the scheme was subsequently suspended before any work had been done at the site. It is understood that plans are still indefinite and it does not appear likely that they will be actively resumed for the present.

Imperial Bank Too

A similar situation exists in the case of the Imperial Bank's head office building, plans of which first became public in February last year, and here again it is not likely that any further progress will be made now until a definite turn in general business conditions is discerned.

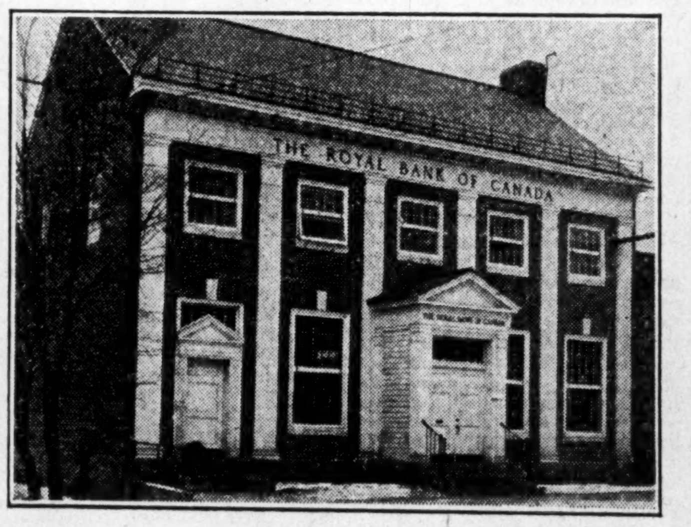
One of the chief points of consideration in the erection of big head office buildings is the matter of rentals of office space. It is this factor which looms large in justifying its erection of the impressive structures that the public has come to look for in a bank's head quarters, and while rentals in most of the new buildings that have been put up in the past few years are satisfactory—space in the Canadian Bank of Commerce Building in Toronto is currently stated to be about 90 per cent rented—grave risk would attach to throwing on to the market a large volume of office space at the present time, and the difficulties of disposing of it under existing conditions is obvious.

Branch Plans Indefinite

In connection with branch building, the general situation is that no new work is being contemplated beyond such incidental rehabilitation as may become necessary from time to time due to such unforeseen circumstances as, for instance, fire.

Acquisition of desirable sites for future expansion is also, in most cases, entirely in abeyance, the general view being that the possibility of picking these up at bargain prices is overshadowed by the prevailing conditions and by the likelihood that the taxes on any such land will mount up and exceed the possible extra cost as at the time when building operations would be justified. In this respect the attitude of the banks is similar to that attributed to Sir John Eaton, who, when importuned by an indefatigable real estate man to purchase in a period of depressed values what was represented to be a key property for the ultimate rounding out of the store, is reputed to have replied, "As you say, the property may never be as cheap again as it is now, but when the business needs it the business will be able to afford to pay for it."

New Note in Branch Bank Architecture



The new Dalhousie branch of The Royal Bank of Canada is in the Colonial style and was designed by S. G. Davenport, the bank's architect, and his associates. Construction is of brick, stone and wood with hipped slate roof and a projected porch, representing a type of residence popular 100 years ago. The banking fixtures, counter and tellers' cages are carried out in mahogany and bronze in a semi-colonial style, aided by a beamed ceiling, but otherwise the layout of the banking space, which occupies the whole ground floor, is modern in every respect.

GOLD BACKS NOTES IN BETTER RATIO

December Statement Shows Note Issue Down Materially

Dominion notes in circulation at Dec. 31, 1931, were about $23,000,000 less than the year's peak figure reached in the previous month at $174,390,412, while the gold reserve held against the note issue decreased almost $4,000,000 to $64,630,622, at which it was $2,740,210 in excess of statutory requirements.

In addition to the gold backing, $75,000,000 of the note issue was covered by collateral securities, and $49,000,000 of this amount represented advances by the government to banks under the Finance Act. This figure was down $17,500,000 or over 26 per cent, from the preceding month when these advances reached the high point for some considerable period.

The ratio of gold held by the Minister of Finance to total note circulation showed improvement at 37.06 per cent, the November ratio having been 34.73 per cent. At the end of 1930 the ratio was 53.48 per cent.

Out-of-Town Officials Attend Royal Meet

The following out-of-town officials of The Royal Bank of Canada attended the annual meeting of the bank, which was held at the head office in Montreal on January 14. F. T. Walker, senior agent of New York; D. C. Rea, supervisor of Ontario branches, Toronto; S. L. Cork, supervisor at Winnipeg; R. H. Baird, supervisor at Vancouver; J. H. Menzies, supervisor at Calgary; J. W. Yule, supervisor at Regina; C. E. Mackenzie, supervisor at Halifax; C. A. Gray, manager at Ottawa; B. L. Mitchell, manager at Toronto.

Gold Shipments from Canada

Shipments of gold from Canada to the United States during December, 1931, amounted to $4,087,500, this amount being only exceeded by Great Britain who exported $4,777,600 to the United States during that month.

Weekly Bank Clearings

Eastern Cities	Jan. 15, 1931	Jan. 14, 1932
Halifax	$ 2,655,746	$ 2,461,762
Saint John	2,040,443	2,222,407
Moncton	888,720	751,277
Sherbrooke	602,779	618,492
Quebec	5,122,937	4,067,066
Montreal	109,684,033	75,664,140
Ottawa	7,245,048	4,542,208
Kingston	698,320	514,811
Peterboro'	759,402	536,496
Toronto	93,905,370	72,386,799
Hamilton	4,453,800	4,030,994
Kitchener	899,080	812,840
Brantford	917,029	794,938
London	3,015,930	2,353,862
Chatham	651,741	451,951
Windsor	2,896,618	2,362,924
Sarnia	539,450	379,535
Sudbury	755,502	563,173
Western Cities	**Jan. 15, 1931**	**Jan. 14, 1932**
Fort William	$ 601,608	$ 440,536
Winnipeg	29,090,660	30,114,120
Brandon	423,298	293,405
Moose Jaw	785,225	473,917
Regina	3,227,458	4,030,729
Saskatoon	1,599,043	3,256,762
Prince Albert ...	333,151	296,177
Edmonton	4,139,533	4,318,517
Calgary	6,432,068	4,381,529
Medicine Hat ..	197,932	174,741
Lethbridge	385,190	289,820
New Westminster	665,055	458,511
Vancouver	14,187,671	12,177,020
Victoria	1,943,807	1,419,188

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $5,010,673.96
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
BRITISH AMERICA ASSURANCE COMPANY
ESTABLISHED A·D· 1833

From China to Peru—
. . . in London, Paris or Havana—anywhere you go—Travellers' Cheques are universal money.
Before going away buy Travellers' Cheques at The Royal Bank of Canada and avoid worry while travelling. They are as good as cash and far safer.
SOLD HERE—ACCEPTED EVERYWHERE

The Royal Bank of Canada

CHARTERED TRUST AND EXECUTOR COMPANY has been serving the public for twenty-five years, during which time it has acquired an enviable business reputation.
Chartered Trust and Executor Company will still be serving the public long after you have gone on the journey from whence there is no return.
Chartered Trust and Executor Company does not like to boast of its record, but does want you to know the facts. Come in at your convenience and see for yourself what courtesy, efficiency and integrity have accomplished.
CHARTERED TRUST AND EXECUTOR COMPANY
34 King St. West, Toronto 2
132 St. James St. West, Montreal, Que.
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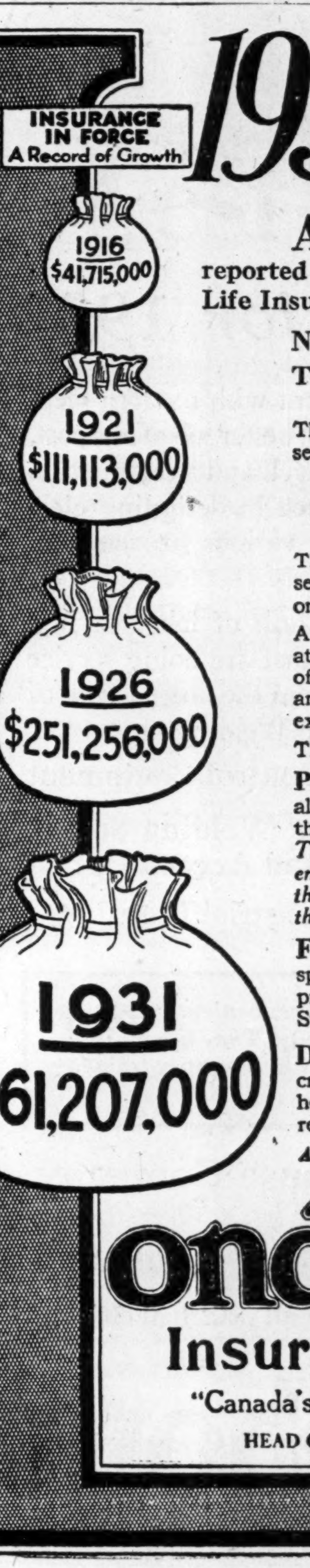
JAMES Y. MURDOCH, K.C.
Vice-Presidents:
W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL



1931—Another London Life Year
AN exceptionally fine record of growth was reported at the 57th annual meeting of The London Life Insurance Company held on January 18, 1932.
New Insurance Issued - - $95,101,910
Total Assets - - - - - - - 72,221,417
(a gain of $6,874,926)
The London Life's investments contain no speculative securities, and are distributed as follows:—
66%—First Mortgages on Improved Real Estate
20%—High Grade Bonds and Debentures
11½%—Policy Loans and Liens
2½%—Stocks, Real Estate, etc.
The mortgage investments have been so carefully selected that the gross amount of interest overdue is only 1/7 of 1% of the principal outstanding.
A valuation of the Company's securities was made at the exceptionally low values prevailing at the end of the year, 1931, and sufficient investment reserves are provided in the statement to take care of all excess book values over market values.
The rate of interest earned was 6.45%.
Policy Reserves—i. e., the funds required to meet all insurance obligations—are greater by $4,986,000 than required under the Dominion Insurance Act. *The London Life reserve standard is higher than that employed by any similar Company in North America—the task of raising it to a 3% basis having been completed this year.*
Free Surplus—In addition to maintaining all special funds and making full provision for the profits due and accruing to policyholders, the Free Surplus has been increased to $2,811,721.
Dividends—The modified 1932 scale provides an increased dividend to the majority of participating policyholders and in no regular case will any policyholder receive less than in 1931.
A copy of our annual statement will be mailed on request
Established 1874
London Life Insurance Company
"Canada's *Industrial-Ordinary* Company"
HEAD OFFICE · LONDON, CANADA

STEEL COMPANIES CLEAR DECKS FOR NEXT TRADE UPTURN

STEEL PLANTS OUTPUT DOWN TO LOW LEVELS

Canadian Imports $107,800,000 Less in Ferrous Categories

EXPORTS DOWN

Drop in Automobile, Railway and Farm Machinery Demands Affected Industry—Pig Iron Turns Up

Canada's iron and steel industry felt the full force of the business depression in 1930 and 1931. Monthly totals of production of pig iron and of steel ingots have been decreasing steadily from the high point in March, 1929, to the low recorded point in October, 1931, when the total was only half what it had been in October, 1930, and about one-quarter of what it had been in October, 1929. Primary branches of the industry dropped back in their production to ratios only comparable with pre-war days and in other cases to 1925 levels. Domestic demand fell off considerably and foreign demand almost disappeared in some instances.

Imports also reflected the lower demand by falling sharply, aided in this decline by the higher Canadian tariff and dumping clauses and by the high exchange discount on the Canadian dollar.

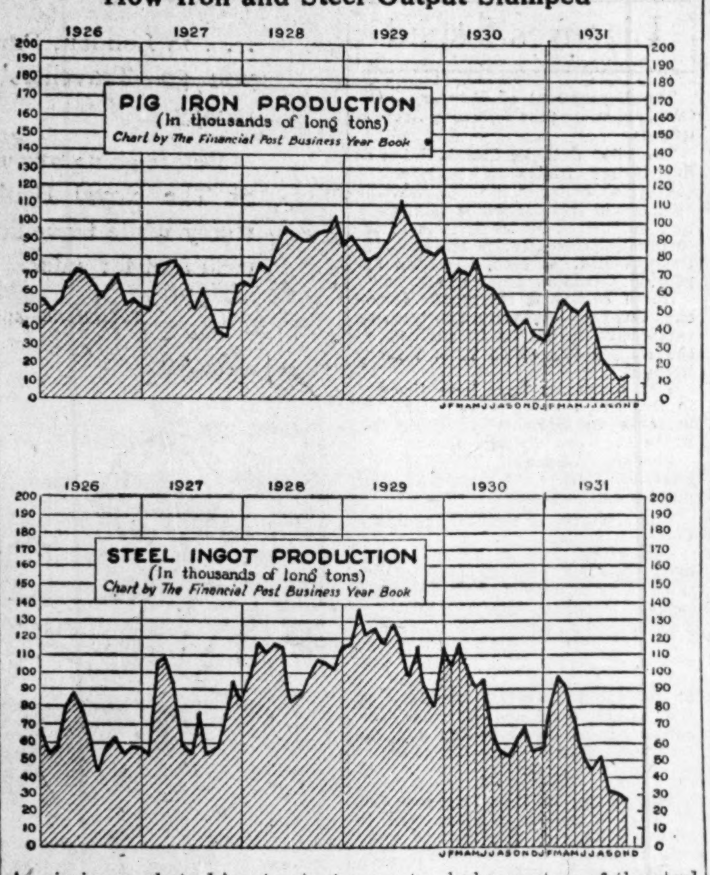
Rail Demand Slackens

The tariff situation was such that a sprinkling of United States iron and steel firms opened up branches in Canada. The low level of automobile, agricultural implements and railway construction were three important agencies in the decline, Algoma Steel and Dominion Steel & Coal completing their rail contracts early in July. Steel Co. of Canada with its greatly diversified schedules kept going throughout the year although it could not altogether escape the general influences prevailing.

Railway rolling stock plants and foundries producing castings in connection with them ran around 75 per cent of capacity for the first half of 1931 but operations had to be curtailed later as no new orders were placed to take up the slack as old orders were completed. At the end of the year the majority of these plants were running at less than 25 per cent capacity.

Pipe foundries were reported as in active operation throughout the entire year and entered 1932 with good tonnages of unfilled business still on their books. General slackness in radiator and sanitary ware plants reflected a lower level of operation by the building trades. These plants were down to about 35 per cent of their capacity. In the agricultural implement industry, continued low prices for farm products cut away the normal market and many plants were closed down. Some operated here and there on a small scale.

How Iron and Steel Output Slumped



As pig iron and steel ingot output are not only barometers of the steel industry as a whole but of general business, the slight upturn noted in top chart gives some encouragement.

Imports Take Toboggan

Total imports of iron and steel products for the 12 months ending November 30, 1931, were $121,147,243 as compared with $228,985,544 in the same period of the preceding year. Imports from the United Kingdom dropped from $19,025,010 to $14,298,114 in this period and from the United States from $200,796,552 to $101,786,684. Thus imports from the United Kingdom showed greater stability, dropping less than 25 per cent while United States imports were down about 100 per cent. The comparative trend in decrease held approximately true in most departments of the import trade, including rolling mill products, plates and sheets, tubes and pipes, hardware and cutlery, machinery (where the United Kingdom lost nothing), and automobiles and other vehicles. In automobile engines, however, the United States held up its end well and in internal combustion engines generally showed a smaller percentage loss than the United Kingdom in business with Canada.

Exports Are Also Down

Total exports by Canada of iron and its products for the year ended November 30, 1932, amounted to $21,501,656 as compared with $49,482,672 in the preceding year. The drop in business with the United Kingdom was about 16 per cent and with the United States more than 50 per cent. These two countries, however, only took about 25 per cent of Canadian exports in 1930 and about 33 per cent in 1931. Canadian exports of iron and steel products go in the main to other and less developed countries industrially. While farm implements exports show in the total a drop of about 70 per cent there was an actual increase of shipments to Great Britain from $353,939 to $381,032. While total exports of machinery also showed a drop, exports to the United Kingdom increased from $2,140,134 to $2,236,646, electric vacuum cleaners especially increasing from $1,710,000 to $1,808,788.

These small gains are regarded as earnests of what may possibly come from the Imperial Economic Conference to be held in Ottawa this year. The British tariff wall has checked the flow of goods from all exporting nations into Great Britain and it is hoped that Canada's British tariff preference will lead to British preferences in favor of Canada.

Preparation goes forward for the new era inaugurated by the depression and the drop in commodity price levels. Old-fashioned plants and equipment are being scrapped, plants are being modernized and a keener search for markets is resulting in new merchandising policies which are expected to have great effects.

Mining developments have been a bright spot in the year for the metal-working industry supplying the mines. Cheap power is still attracting industries which also desire to get inside the tariff wall.

Adopt *this* Savings Plan *for* 1932

REPLACE obsolete equipment with modern electrical apparatus that will do a better job at less cost. Westinghouse brings to the steel and construction industries a wealth of experience in designing electrical equipment to handle the various processes of manufacture.

Westinghouse manufactures a host of labor saving, money making electrical units that are doing service in practically every industry, from the largest type of D.C. Motor to the smallest Arc Welding set.

D.C. and A.C. Motors and Control Equipment

Switchboards
Circuit Breakers
Substations
Arc Welding Sets and Accessories
Industrial Lighting

Westinghouse service shops are conveniently located in the centres of industrial activity. They are all well equipped and efficiently manned by a factory trained personnel.

Canadian Westinghouse Company Limited
HAMILTON ONTARIO
Branches and repair shops in all principal cities

Westinghouse

BUILDING JOBS SHOW DECLINE, MORE IN VIEW

Apartments, Churches, Bridges and Roads Show Growth in 1931

COSTS DOWN

Building Materials Come Lower But Labor Levels Were Well Maintained

Continuation of the world-wide depression and lack of confidence in the business situation which made itself evident in 1930 resulted in a further decline of building activity in Canada in 1931. Construction contracts awarded during 1931, as compiled by MacLean Building Reports, amounted to $315,482,000, a decline of 30.9 per cent from the 1930 total of $456,999,600 which was itself a decrease of 20 per cent from 1929 figures.

The following table, however, shows that there were actual increases in contracts awarded for apartments, churches, bridges and roads and streets although hotels, office buildings, public garages, schools, theatres and warehouses had sharp drops and initial government economies brought some abatement in the number of dams and wharves and general engineering contracts taken on:

Types of Contracts Awarded
(000 omitted)

	1931 Value $	1930 Value $	% of Dominion %	Change from 1930 %
Apartments ...	16,202	15,330	5.1	+ 5.7
Residences ...	65,482	77,961	20.8	—16.0
Total resident..	81,684	93,291	25.9	—12.4
Churches	7,744	7,265	2.5	+ .7
Public garages	3,420	7,049	1.1	—51.5
Hospitals	12,142	14,636	3.8	—17.0
Htls. & clubs..	2,881	13,806	.9	—79.2
Office bldgs. .	3,575	26,529	1.1	—86.5
Public bldgs. .	16,803	16,804	5.3	....
Schools	17,852	35,079	5.7	—49.1
Stores	9,035	10,006	2.9	— 9.7
Theatres	1,308	2,356	.4	—44.6
Warehouses ..	6,410	17,569	2.0	—63.5
Total business.	81,174	151,103	25.7	—46.3
Total industrial	14,816	31,520	4.7	—53.0
Bridges	16,064	11,333	5.1	+41.7
Dams & wharves	3,943	10,281	1.3	—61.6
Sew'rs & W'm'ns	25,620	28,680	8.1	—10.7
Roads & streets	41,035	40,490	13.0	+ 1.3
Gen. engineer.	51,143	90,298	16.2	—43.4
Tot. engineer'g	137,807	181,084	43.7	23.9
Grand total ..	315,482	456,999	100.0	—30.9

Studied in connection with trends for the last decade, it therefore appears that 1931 was a moderately good year for the building trades. MacLean Building Reports deduce from such a study that a monthly average of $25,000,000 worth of building construction work can reasonably be expected even when business conditions are not good. Contemplated new work is holding up well.

It is estimated that 300,000 people are employed in Canada in the construction industries and that about 80 per cent of money spent in the industry is for labor. Dominion Bureau of Statistics average index numbers of wages paid in the building trades indicate that wages are still about twice what they were in 1913, about 8 per cent higher than in 1920, about 13 per cent higher than in 1921. From 1922 wages increased to 1930 about 20 per cent. In 1931 there was a decline in the high level of 1930 of about 3.5 per cent.

Building and construction materials have in the last decade, however, declined in price on the average about 41 per cent and there was a decline in 1931 alone of about 11 per cent.

	Total 1931	Total 1930	1931 Change from 1930	1931 Percentage
Ontario	$125,452	$175,459	—28.5%	39.8%
Quebec	106,125	154,672	—31.4%	33.6%
Brit. Col.	29,704	32,987	— 9.1%	9.4%
Alberta	14,334	25,081	—42.8%	4.5%
Manitoba	13,797	22,010	—37.3%	4.4%
N. Bruns.	9,756	11,067	—11.8%	3.1%
Saskatch.	9,200	27,361	—66.4%	2.9%
N. Scotia	6,923	7,238	— 4.3%	2.2%
P. E. I.	186	1,120	—83.3%	.1%

HAMILTON BRIDGE

Six Months Figures Showed Dividend Earned

In the first six months of 1931 earnings of Hamilton Bridge, though substantially lower than figures for the same period in the previous year, were sufficient to cover preferred dividends before depreciation. Since that time it is reported there has been some improvement in operations; a recent order was for 1,000 tons of structural steel for a school in Hamilton.

Together with other structural steel manufacturers, the company is faced with restricted demand for its products and indications of a further retrenchment in large scale building operations are apparent.

Dividends on the preferred stock are still maintained though common payments were discontinued last year.

Capitalization—	Authorized	Outstanding
1st pref. ...... Par $100.	$5,000,000	$2,500,000
Common .... No par value.	100,000 sh.	100,000 sh.

Dividend Record—
First preferred—6½ per cent per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend paid May 1, 1928, and regularly since.
Common—Dividend passed Aug. 1, 1931, and since.

Officers—James Playfair, chm. of bd.; W. B. Champ, pres. and man. dir.; F. M. Ross, vice-pres.; A. E. Martin, treas.; F. G. Wilson, sec.

Directors—James Playfair, Midland, Ont.; W. I. S. Hendrie, W. B. Champ, W. E. Phin, Major-Gen. the Hon. S. C. Mewburn, K.C., C.M.G., Hamilton; F. M. Ross, V. M. Drury, J. C. Newman, Montreal; J. A. Richardson, Winnipeg, F. G. Wilson.

Earnings per Share and Dividend Record:

Year End. Dec. 31:	1930	1929	1928
1st Pref.: Earned	$13.48	$24.59	$18.16
Paid	6.50	6.50	6.50
2nd Pref.: Earned	....	407.02	39.17
Paid	....	7.50	7.50
Common: Earned	1.57	4.07	3.76
Paid	1.50	...	...

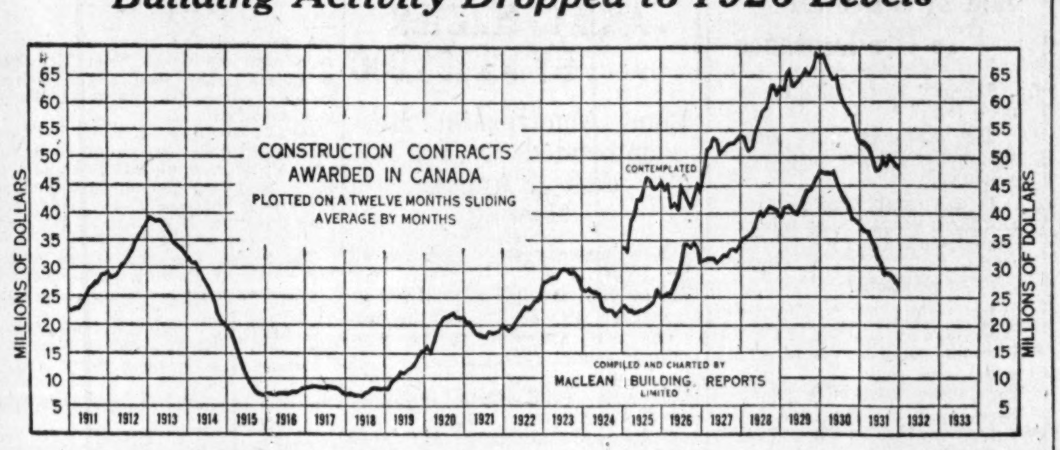
Market Record:

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	20¾	6¼	38⅞	15	79	21½
1st pref. ..	80	63	90	70	95	86

Winnipeg Building Permits Gain

Winnipeg's building permits for December were $76,400, exceeding those of the same month of 1930 by $25,000. In Greater Winnipeg the total for the whole of 1931 was $5,851,467. New buildings erected during the course of the year included 416 dwellings, 35 stores, 605 workshops, garages, etc., five churches, theatres and schools, eleven warehouses and factories and six apartment blocks.

Building Activity Dropped to 1926 Levels



As judged by value of contracts awarded building activity in 1931 had decline of about 31 per cent.

DOMINION BRIDGE

Earnings at High Level in 1931—Cut Dividend as Precaution

Dominion Bridge Co. managed to hold its earnings at a satisfactory level in the fiscal year ended October 30, 1931, despite the lower level of activity in the industry which it serves. But in order to conserve resources, the directors considered it advisable to place the stock on a $2.50 per annum dividend basis.

Dominion Bridge has extended its operations in recent years until today it is active in all principal centres in Canada. Expansion in the western provinces has been particularly noteworthy, and the company is in a position to bid on business offerings in any part of the country.

Redeem Funded Debt

A feature of the last financial statement, in addition to satisfactory earnings, was the company's redemption of a subsidiary's funded debt totalling $1,007,000 and a further investment of 7,100 shares in Dominion Engineering Works, of whose stock Dominion Bridge now holds 62 per cent.

The balance sheet at October 31, 1931, showed a strong financial position with a satisfactory liquid condition.

Capitalization—	Authorized	Outstanding
Common .... No par value.	600,000 shs.	513,951 shs.

Dividend Record—
Common—$2.50 per annum payable quarterly, Feb., May, Aug. and Nov. 15. Rate reduced from $3.00 per annum with dividend of 62½ cents payable Feb. 15, 1932.

Officers and Directors—
Executive Officers—G. H. Duggan, pres. and man. dir.; N. W. Warren, vice-pres. and gen. mgr.; L. R. Wilson, vice-pres. in charge of operations; W. Taylor-Bailey, vice-pres. in charge of sales; S. W. Campbell, vice-pres. and western mgr.; F. W. Evens, sec.-treas.; F. P. Shearwood, chief engineer.
Directors—G. H. Duggan, pres.; W. F. Angus, vice-pres.; Julian C. Smith, vice-pres.; A. J. Brown, K.C., N. J. Dawes, A. A. Hodgson, Sir H. S. Holt, J. W. McConnell, Howard Murray, H. H. Vaughan, R. H. McMaster, all of Montreal; W. G. Murrin, W. J. Blake Wilson, Vancouver; C. B. McNaught, C. H. Carlisle, Toronto; P. Burns, Calgary; G. W. Allan, K.C., Winnipeg.

Ten Years Earnings—

1922	$ 54,661	$ 260,000	$3,466,500
1923	290,684	260,000	3,230,108
1924	268,820	260,000	3,233,923
1925	*53,136	260,000	2,920,788
1926	439,071	260,000	3,099,859
1927	926,155	780,000	3,246,013
1928	1,520,824	970,937	3,482,606
1929	2,239,832	1,227,580	4,194,857
1930	1,983,814	1,812,167	4,366,504
1931	1,657,817	1,696,038	4,328,283

*Loss.

Earn. per Share and Dividend Record:

Yr. End. Oct. 31:	1931	1930	1929
Com.: Earned ..	$3.23	$3.86	$5.46
Paid: Dividend.	3.30	3.60	3.05

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	55½	27	83	44½	117½	54

RIVERSIDE IRON WORKS
(Subsidiary of Dominion Bridge)

Funded Debt—
First mortgage 7 per cent bonds, due 1947, outstanding $202,700.
Officers and Directors—
S. W. Campbell, pres.; F. L. Irving, manager; J. P. Carroll, sec.-treas.

MANITOBA BRIDGE & IRON WORKS
(Wholly-owned by Dominion Bridge Co.)

Capitalization—	Authorized	Outstanding
Common .... No par value.	250,000 sh.	*125,000 sh.

*All held by parent company.

Dividend Record—
In 1928 on old $100 par value stock, a dividend of 8 per cent with 2 per cent bonus was paid. An initial dividend of 50 cents per share on the new no par value common shares was paid July 25, 1929. A dividend of 70 cents per share was paid Jan. 3, 1930.
Officers and Directors—
Officers—T. R. Deacon, pres.; H. B. Lyall, vice-pres. and gen. mgr.; W. Stuart, sec.; E. J. Burleigh, treas.
Directors—T. R. Deacon, H. B. Lyall, W. T. Gwyn, E. F. Haffner, F. L. Patton, R. J. Gourley, H. A. Mackay, Winnipeg, Man.; J. I. McFarland, Calgary, Alta.

DOM. ENGINEERING WORKS

Drop in Business Causes Passing of Common Dividend

Volume of orders by Dominion Engineering Works in 1931 was relatively small and dividends on the common, which had been previously reduced, were omitted altogether in June. A major feature affecting the company is the decline in orders for paper machines and accessories, which in previous years had accounted for 75 per cent of the company's business.

The hydraulic turbine business is another large factor in the company's affairs and in 1930, Dominion Engineering Works held orders for turbines having an aggregate capacity of 751,800 h.p.

Diversify Production

Diversification of operations was effected in 1930 through the company's participation in the formation of Dominion Hoist and Shovel Co., formed to manufacture and sell construction and industrial machinery. The manufacture of mining machinery and other similar lines for which the company is equipped has been actively sought.

Some 62 per cent of the company's stock is held by Dominion Bridge Co.

Capitalization—	Authorized	Outstanding
Common .... No par value.	125,000 sh.	125,000 sh.

Approximately 62 per cent of stock held by Dominion Bridge Co.

Dividend Record—
Common—Dividend passed July 15, 1931, and since.,
Rate was reduced from $4 to $2.40 per annum, Apr. 15, 1931.
Officers and Directors—
Officers—G. H. Duggan, pres.; A. J. Brown, K.C., vice-pres.; Julian C. Smith, vice-pres.; H. G. Welsford, gen. mgr.; F. W. Evens, sec.; J. S. Houston, treas.
Directors — G. H. Duggan, Julian C. Smith, A. J. Brown, K.C., W. F. Angus, Sir Herbert Holt, Howard Murray, O.B.E., J. A. Mathewson, K.C., Norman J. Dawes, Hon. Smeaton White, all of Montreal; George Chahoon, Jr., Grand'Mere, P.Q.; H. Birchard Taylor, Philadelphia, Pa.; John H. Price, Quebec.

Earnings per Share and Dividend Record:

Year End. Dec. 31:	1930	1929	1928
Earned	$2.83	$5.68	$6.19
Paid	4.00	4.00	2.90+50c

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	50	15	82	49	113	58½

CHARLES WALMSLEY & CO.
(Entirely owned by Dominion Engineering Works, a subsidiary of Dominion Bridge Co.)

Capitalization—	Authorized	Outstanding
Common .... Par $100.	$1,400,000	$500,000

All owned by Dominion Engineering Works.
Funded Debt—
First mortgage 6 per cent bonds, due 1948, outstanding $820,000.
Officers and Directors—
Officers—G. H. Duggan, pres.; Julian C. Smith, vice-pres.; H. G. Welsford, vice-pres. and mgr.; L. P. Ledden, sec.; J. S. Houston, treas.
Directors — G. H. Duggan, Julian C. Smith, H. G. Welsford, C. W. Allen, A. J. Brown, Sir H. S. Holt, W. C. Pitfield, W. F. Angus, Montreal; J. H. Price, Quebec, P.Q.

DOM. FOUNDRIES

Tariff Help Encourages Company to Consider Expansion

Dominion Foundries & Steel, in spite of the adverse business conditions in the steel and construction industry was greatly encouraged by higher duties accorded in Ottawa.

It was announced by C. W. Sherman, president, in June, that a large increase in employment was expected. The company also announced installation of wider plate rolls to furnish a complete line of made-in-Canada plate steels.

Capitalization—	Authorized	Outstanding
Pref., cum. ...	$1,000,000	$719,900
Common ..... Par $100.	5,000,000	2,998,100

Funded Debt—
First mtge. bonds 7%, outstanding $111,000.
Dividend Record—
Preferred 8% per annum, payable quarterly 1st March, June, Sept. and Dec. None paid from June 1, 1921, to Dec. 7, 1929, when 1½ per cent was paid. A further 1½ per cent was paid on March 1, 1930, the stock thereby being placed on a 6 per cent basis, which rate was continued throughout the year. As at Dec. 31, 1930, there were arrears of dividends on this stock amounting to 68½ per cent.
Common — None paid since March 1, 1921, when one share of Adirondack Steel Foundries Corporation was given to every five shares of Dominion Foundries and Steel.
Officers and Directors—
Officers — C. W. Sherman, pres.; W. J. Verity, vice-pres.; F. A. Sherman, gen. mgr.; A. G. Wright, sec.
Directors—C. W. Sherman, Hamilton; W. J. Verity, Brantford, Ont.; G. H. Levy, Hamilton; S. A. Crone, New York; F. A. Sherman, A. G. Wright, G. H. Gordon, Hamilton; S. Burrows, Belleville.

Year Ended Dec. 31—

Times All Interest Earned:	1930	1929	1928
Before depreciation .	20.23	11.42	12.69
After depreciation ..	7.01	6.18	1.42
Earnings per Share and Dividend Record:			
Preferred: Earned†	$12.57	$25.70	$0.64
Paid	6.00	1.50	...
Common: Earned*..	1.03	4.24	...
None paid.			

* After full year's dividend on preferred but not taking arrears into consideration.
†Before taking arrears into consideration.

Market Record:

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Common	..	..	14	10	29	16
Pref.	..	..	90¼	76	54	54

Ship Pelts to Europe

Some 7,000 fox skins left Quebec City for England recently, according to information from the offices of the Co-operative Fur Animal Raisers of the Province of Quebec. This shipment, valued at around $200,000 and the largest on record from this centre, will shortly be followed by another consignment of 13,000 skins to Europe.

AUTO TRADE FINDS DEMAND IS IMPROVING

Figures for 1931 Showed Gradually Decreasing Production

OUTLOOK IS BETTER

Financing Returns Turn Up—Postponed Replacement Buying is Expected in 1932

Production in the automotive industry has declined almost steadily since the middle of 1929. In that year the industry ranked fourth in Canada with a value of production amounting to $177,315,593, while the total for 1930 of $101,677,487 and a still lower output in 1931 has given the industry large-scale problems to face.

General depressed conditions throughout the world and the cancellation of the New Zealand and Australian trade agreement greatly curtailed exports in 1931. While several new assembly plants were located in Canada during that year, following the increased tariff against United States automobiles, output has continued on a steadily decreasing scale. Thus, each month during 1931 showed severe contraction in the numbers of both passenger cars and trucks produced when compared with the corresponding month in the previous year, as may be seen from the appended table.

Automobile Production 1930-1931

	Pass. Cars 1931	Pass. Cars 1930	Trucks* 1931	Trucks* 1930
Jan.	4,552	8,854	1,944	1,534
Feb.	7,529	13,009	2,342	2,539
Mar.	10,483	17,155	2,510	3,575
Apr.	14,043	20,865	3,116	3,392
May	10,621	21,211	2,117	3,461
June	5,583	12,167	1,252	2,923
July	3,151	8,536	1,069	1,652
Aug.	3,426	6,926	1,118	†2,866
Sept.	2,108	5,617	538	2,340
Oct.	761	3,201	679	‡1,340
Nov.	812	3,523	435	1,884
Dec.	....	4,203	...	1,419
Total		125,267		28,925
11 mos.	63,069		17,120	

*Includes buses and taxicabs.
†Includes 256 chassis suitable for either car or truck.
‡Includes 229 chassis suitable for either car or truck.

Production Drops 70 Per Cent

The above figures disclose a reduction in the output of passenger cars and chassis for the 11 months—December statistics for 1931 not yet being available—from 121,064 to 63,069, equivalent to a drop of 48 per cent, while production of

(Continued on page 20)

Announcing
the organization of
Sorel Steel Foundries Limited
at Sorel, P.Q.

The new company was formerly known as Beauchemin & Fils Limited, operated and controlled by Consolidated Marine Companies Limited.

"Sorel Steel" with a modernized and up-to-date plant will specialize in Manganese Steel and Carbon Steel for mines, quarries, pulverizing equipment, etc.

All castings will be manufactured under the direct supervision of thoroughly experienced engineers and foundry men.

P. H. Desrosiers
General Manager

Sorel Steel Foundries Limited
Sorel, Quebec -:- Canada

CANADIAN WESTINGHOUSE CO.

Strong Company Plans Considerable Expansion in Canada in the Years Immediately Ahead

Canadian Westinghouse Co. is a very strong company financially. It is expected, however, that the report for 1931 will show that the lower level of earnings in 1930 stretched over into 1931 and that the uncertainty as to probable volume of new business in the electrical field generally also applies to this company's prospects.

However, the company has energetic and comprehensive plans for expansion. During 1931 it announced that it would seek to do business directly with dealers in future instead of through jobbers as formerly was the practice. Considerable reorganization work was done in line with the new policy and objectives have been set to acquire new business within a few years to the extent of $30,000,000.

On the engineering side good progress has been made by the company and some large jobs were undertaken and completed.

Toward the end of 1931, it was announced that the company will manufacture entirely in Canada, the Westinghouse Electric Refrigerator. This necessitates extensive factory facilities and the installing of new machines, the total costing more than $250,000.

Capitalization—	Authorized	Outstanding
Common .... n.p.v.	900,000 shs.	540,000 shs.

Dividend Record—

Common—Present rate $2 per annum, payable Jan., April, July and Oct. 1 and bonus of $1. Dividends have been paid since 1905, and a bonus since 1910 except in 1914, 1915 and 1922.

Officers and Directors—

Officers—H. H. Westinghouse, chairman, Paul J. Myler, pres.; L. A. Osborne, vice-pres.; F. A. Merrick, vice-pres.; N. S. Braden, vice-pres.; H. U. Hart, vice-pres. & chief eng.; G. R. Kerr, vice-pres. and treas.; W. E. Sprague, sec.; H. M. Bostwick, mgr. of sales, C. H. O. Pook, mgr. of works.

Directors—H. H. Westinghouse, L. A. Osborne, C. A. Terry, New York; Paul J. Myler, N. S. Braden, A. W. Robertson, Hamilton, Ont.; F. A. Merrick, J. F. Miller, Pittsburgh, Pa.; A. L. Humphrey, Wilmerding, Pa.; The Hon. T. Ahearn, P.C., Ottawa, Ont.

Earn. per Share and Dividend Record:
Yr. Ended Dec. 31.

	1930	1929	1928
Earned .	$5.32	$6.20	$33.08
Paid	$2+$1	†4%+‡$1+$1	8+4

†Paid for first 6 months on old $100 par shares.

‡Paid ($1.00+$1.00 bonus) on new n.p.v. shares for second 6 months.

CANADIAN VICKERS

Operating Position Bettered But Little Business in Sight

Operations of Canadian Vickers, marine and general contractors have been on a limited scale for several months and an increase in activity depends solely upon an upturn in the general business situation, which does not appear imminent. Though earnings of the company have been affected, the financial position of the company is appreciably stronger than it was two years ago. Adoption of new systems, some changes in management, etc., have placed the company in a position where its finances are on a comparatively sound basis and it is in a position to realize more adequately upon its resources.

Capitalization—	Authorized	Outstanding
Pref. cum. 7% Par $100.	$5,000,000	*$2,000,000
Com., n.p.v.	100,000 shs.	*53,000 shs.

*Includes 3,000 shares subscribed and allotted.

Funded Debt—
First mtge. 6% bonds Series "A," due 1947, outstanding $2,678,000.

Officers and Directors—

Officers—J. Playfair, pres.; F. M. Ross, vice-pres.; D. B. Carswell, vice-pres.; J. W. Savidant, compt. and treas.; F. G. Wilson, sec.

Directors—J. Playfair, Midland, Ont.; D. B. Carswell, V. M. Drury, F. M. Ross, J. McL. Stephen, N. A. Timmins, Montreal, P.Q.; T. A. Russell, Toronto, Ont.; J. A. Richardson, Winnipeg, Man.; W. W. Butler, J. E. Labelle, K.C.

Dividend Record—

Preferred—7 per cent per annum, payable 1st Feb., May, July and Nov. Cumulative from Aug. 1, 1927. Initial dividend paid Nov. 1, 1927, and quarterly up to and including Nov. 1, 1929. The dividend due Feb. 1, 1930, was passed, and none paid since.

Common—None paid.

Year Ended Feb. 28.

Times All Interest Earned:

	1931	1930	1929
Before depreciation..	$3.92	$1.82	$2.65
After depreciation...	2.71	0.73	1.59

Earnings per Share and Dividend Record:

	1931	1930	1929
Pref.: Earned	$9.35	...	$7.37
Paid	...	$5.25	7.00
Common: Earned ...	‡0.22	...	0.12
None paid.			

‡After deducting arrears of preferred dividend.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Common ..	6½	2	10	2½	45	9
Preferred ..	35	16	65	20	93⅜	70

CONDUITS, LTD.

Conduits Ltd. manufactures rigid electrical conduits, elbows, couplings, etc., used in all types of construction work and distributes its products through jobbers and branch offices at Winnipeg and Vancouver. In October, 1930, the company underwent a capital reorganization and dividends have been paid regularly on the new preferred stock. The company does not issue a balance sheet and earnings statement.

Capitalization—	Authorized	Outstanding
Pref. cum. ...... Par $100.	$250,000	$245,000
Common, n.p.v.	60,000 shs.	60,000 shs.

Dividend Record—

Dividends—Preferred: 7% cumulative, payable Jan., April, July and Oct. 1. Dividend on old preferred paid regularly from 1927 to date of redemption. Initial dividend on new stock paid April, 1931. Common: 25c paid on old stock 1928, and quarterly to Oct., 1930. None paid on new stock.

Officers—J. Herbert Hall, pres.; H. D. Hall, treas.; G. M. Jarvis, sec.

Directors—J. H. Hall, H. D. Hall, G. M. Jarvis, Toronto; S. B. Condit, M. L. Condit, Boston.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com. ...	9	3	18	13	24	13½
Pref. ..	94	84	107	104	105½	101½

Silver Fox Still Popular

The continued popularity of silver fox skins was made apparent at the sale of 3,250 pelts by the Canadian Fur Auction Sales Company Limited in Montreal, January 4. In the course of the afternoon 88 per cent of the pelts were sold. The top price of the day was $150 which is only five dollars under the high price of the recent previous sale.

PRESSED METALS

Creating Considerable Interest With Improved Shackle Invented

Although Pressed Metals of America has reduced the dividend rate on the common shares to 25c. annually, it is reported to be creating considerable interest in the automobile world with a new and improved shackle which it has devised and is ready to manufacture.

Its main business of extruded bronze products including bronze and brass bushings, plumbing fixtures and brass alloy products has had a drop in line with the general reduction in business but the company is understood to have maintained a good financial position and to be anticipating excellent business in 1932 with its new products.

Capitalization—	Authorized	Outstanding
Common .... No par value.	120,000 shs.	110,774 shs.

Dividend Record—
Present rate 25c per share per annum, payable Jan., April, July and Oct. 15. 25c paid quarterly Oct., 1928, to July, 1930; reduced to 12c Oct., 1930, and to 6¼c Jan. 2, 1932.

Officers and Directors—

Officers—J. W. Leighton, pres.; C. C. Peck, vice-pres.; W. P. Carson, sec.; H. L. Nussbaum, asst. sec.; C. C. Peck, treas.

Directors—Avern Pardoe, chm. of the board, Toronto; C. C. Peck, J. W. Leighton, Port Huron, Mich.; H. L. Nussbaum, A. P. Holden, Toronto; S. Goldsmith, M. Rosenburg, New York.

Earnings per Share and Div. Record:
Years end. Dec. 31:

	1930	1929	1928
Pref.: Earned	...	...	$39.88
Paid	...	$7.00	7.00
Com.: Earned	...	1.04	1.19
Paid	$0.87½	1.00	**

** 2.50 on old and 0.25 on new.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1928 H	1928 L
Com.	16	7	24	9½	42	19

ONTARIO STEEL

Lower Activity in Automobile Industry Affected Company

Operations of Ontario Steel Products Co. are closely linked with the general situation in the Canadian automobile industry which takes some 90 per cent of the company's total production. Operations in the first half of the current fiscal year which ends June 30 were not particularly satisfactory but the company ended its fiscal year on June 30, 1931, with a strong liquid position, having current assets to current liabilities in the ratio of 16.5 to 1. Among the company's products are wagon and automobile springs, bumpers and axles, and mining tools.

Capitalization—	Authorized	Outstanding
Pref., cum. 7% Par $100.	$360,000	$360,000
Common, n.p.v.	95,588 shs.	*51,588 shs.

*Of which 45,588 shares are fully paid and 6,000 shares are part paid.

Funded Debt—
1st mtge. 6% bonds due 1943, outstanding $269,800.

Dividend Record—
Preferred—$7.00 per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 15 Initial dividend of 1¾ per cent paid Nov 5, 1913. Paid to date.
Common—Present rate, 80c. per annum, payable quarterly. Initial dividend on new common was 37½c paid Feb. 15, 1928, increased to 40c. Aug. 15, 1928. Paid regularly at that rate up to and including Feb. 15, 1931. May 15, 1931, payment was 20c., at which rate regular payments have continued.

Officers and Directors—

Officers—W. W. Jones, pres.; W. T. Sampson, vice-pres. and gen. mgr.; G. G. Hood, sec.; G. F. Petch, treas.

Directors—W. W. Jones, J. T. Richardson, Toronto; W. T. Sampson, Dr. C. H. Bird, D. Ford Jones, Gananoque; K. Molson, F. P. Jones, H. M. Jaquays, Dr. N. C. Jones.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1922 ...	$141,084	$ 90,000	$413,101
1923 ...	189,888	52,500	442,022
1924 ...	179,838	90,000	415,516
1925 ...	219,956	82,500	443,003
1926 ...	227,619	82,500	470,653
1927 ...	224,144	82,500	491,143
1928 ...	201,092	103,922	464,063
1929 ...	237,980	108,901	464,206
1930 ...	169,182	107,762	384,320
1931 ...	50,247	87,137	189,368

Times Bond Interest Earned:
Years End. June 30:

	1931	1930	1929
Before deprec.	2.81	8.68	11.32
After deprec.	nil	3.94	7.33

Earnings per Share and Div. Record:

	1931	1930	1929
Pref.: Earned	nil	$8.04	$29.45
Paid	$7.00	7.00	7.00
Com.: Earned	nil	0.07	1.57
Paid	1.40	1.60	1.60

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	16	13	22	18	32	24½
Pref.	..	..	105	105	108	105

CAN. FAIRBANKS-MORSE

Western Business Off, But Eastern Trade Holds Relatively Well

Business of Canadian Fairbanks-Morse Co. has shown a sharp decline in the Prairie Provinces, though it is reported that sales in Quebec and the Maritimes have been relatively well maintained. The currency situation, however, worked against the company since its activity is largely confined to distribution the products of its affiliate in the United States.

No estimate of earnings in 1931 has been made available but it is expected that it will show a considerable drop from 1930. The company consolidated its position in 1927 and 1928 when it succeeded in wiping out all arrears on preferred dividends and placing its common stock on a dividend basis.

Capitalization—	Authorized	Outstanding
Preferred ...... Par $100.	$1,500,000	$1,500,000
Common ...... No par value.	125,000 shs.	80,000 shs.

Dividend Record—
Preferred—6 per cent per annum payable 15 Jan., April, July and Oct.
Common—$2 per annum. No dividends paid from 1920 until April 15, 1929, when a dividend of 50 cents per share was paid. Further quarterly dividends of 50 cents per share were paid on June 15, Sept. 16, 1929 Jan. 15, and March 15, 1930 and quarterly to June 15, 1931.

Officers and Directors—

Officers—Thomas McMillan, pres.; C. J. Brittain, vice-pres. and sales mgr.; P. C. Brooks, vice-pres. and mfg. mgr.; P. A. Forster, treas.; C. Bradeen, sec.; T. M. Cullen, asst. treas.

Directors—Henry J. Fuller, chairman; Thos. McMillan, C. J. Brittain, T. H. McWilliam, Montreal; P. C. Brooks, New York; C. H. Morse, W. E. Miller, F. M. Boughey, R. H. Morse, Chicago.

Earn. per Share and Dividend Record:
Yr. Ended Dec. 31.

	1930	1929	1928
Preferred:			
Earned ..	$21.89	$40.59	$40.18
Paid (reg.)	6.00	6.00	6.00
(arrears)	...	...	15.00
Common:			
Earned .	2.98	6.48	6.41
Paid	2.00	2.00	...

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Pref.	81⅞	79	83½	80	98	97

CAN. FOUNDRIES

Directors Find It Necessary to Pass Dividend on "A" Stock

Lower demand for castings and heavy forgings has found reflection in operations of Canada Foundries and Forgings and earnings in 1931 are understood to have fallen below those of the previous year. In October, 1931, it was found expedient to omit payment of dividends on the Class "A" shares though it is stated that general financial position is satisfactory.

In addition to its heavy foundry division at Welland, the company has an active subsidiary at Brockville, the James Smart Mfg. This division produces a wide line of hardware for which a broad market has been developed

Capitalization—	Authorized	Outstanding
Class "A" (n.p.v.)	80,000 shs.	38,400 shs.
Class "B" (n.p.v.)	40,000 shs.	9,600 shs.

Funded Debt—
Six per cent first mortgage bonds, due 1942. Outstanding $194,400.

Dividend Record—
Class "A"—$1.50 per annum preferred, non-cumulative, payable Jan., April, July and Oct. 15. Initial dividend paid for quarter ending Oct. 15, 1928. Dividend passed Oct. 15, 1931.
Class "B"—Entitled to dividend of $1.50 after dividend of $1.50 shall have been paid on "A" shares in any one year. Shares equally with "A" class for class, in any further distribution of earnings.

Officers—W. M. Weir, pres.; Rt. Hon. George P. Graham, vice-pres.; E. S. Day, A.C.I.S., sec.-treas., Brockville Ont.; D. R. Fowler, gen. mgr.

Directors—W. M. Weir, James Arnold, Charles W. MacLean, C. N. Monsarrat, W. D. Robb, H. J. Trihey, W. D. Weir, Montreal; Gordon C. Edwards, Ottawa; Rt. Hon. George P. Graham, Brockville, Ont.; H. B. Housser, Toronto.

Times Bond Interest	1930	1929	1928
Earned†	6.19	12.79	9.28

†After administration expense and other interest.

Earnings per Share and Dividend Record:
Years End. Dec. 31:

	1930	1929	1928
Class "A": Earned*..	$1.59	$3.93	$2.90
Earned†	1.50	2.53	1.97
Paid	1.50	1.50	.75
Class "B": Earned*..	0.37	9.72	5.58
Earned†	0.37	5.61	3.39
None paid.			

*Before taking into consideration the equal distribution rights of both classes of shares after payment of $1.50 to class "A" and "B" shares.

†After taking into consideration the equal distribution rights of both classes of shares after payment of $1.50 to class "A" and "B" shares.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Class "A"	12	10	20	10	31	12
Class "B"	..	..	16	5	32	20

CORPORATE STEEL

Wide Expansion of Plant and Lower Earnings Feature Operations

Corporate Steel Products, formed in 1930 as a holding company for Western Steel Products and other subsidiaries, completed a year of expansion in 1931. During that period a controlling interest in Ottawa Sheet Metal Works was purchased and a subsidiary was formed in Saint John, N.B., operating under the name of Atlantic Steel Products.

The company has a widely diversified output comprising steel products of all kinds, including agricultural, road building, grain elevator and general construction work tools.

Indications that earnings have dropped sharply are seen in the fact that the preferred dividends on Western Steel Products were deferred in October, 1931.

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	125,000 sh.	*100,000 sh.

*To be outstanding upon completion of exchange of Western Steel Products shares.

Dividend Record—
None paid.

Officers and Directors—

Officers—R. R. Symington, pres.; A. Wachsmuth and Horace Ormond, K.C., vice-presidents; F. O. Woodman, sec.-treas.; J. L. Riley, mgr.

Directors — R. R. Symington, F. O. Woodman, J. L. Riley, J. K. McNutt, G. A. Jones, A. Wachsmuth, Montreal, P.Q.; Horace Ormond, K.C., F. J. Walker, Winnipeg, Man.; G. G. Complin, Owen D. Dath, Toronto; F. T. Foxcroft, Vancouver, B.C.; E. A. Theed, Calgary, Alta.

Market Record—

	1931 High	1931 Low	1930 High	1930 Low
Common	20½	15	21½	15

Times Bond Interest Earned:
Year End. Dec. 31, 1930:

Before depreciation	4.52
After depreciation	3.62

Earnings per Share and Div. Record:

Pref. (Western Steel): Earned ..	$20.34
Paid	6.50
Com. (Corporate Steel): Earned†	1.52
None paid.	

†Based on 100,000 shares, no par value.

WESTERN STEEL PRODUCTS
(Controlled by Corporate Steel Products)

Capitalization—	Authorized	Outstanding
Preferred	$1,100,000	$1,100,000
Common	100,000 sh.	*100,000 sh.

*All but 104 shares had been exchanged for common stock in the parent company at Dec. 31, 1930.

Funded Debt—
First mortgage bonds, series "A," 6 per cent, due 1948, outstanding $1,090,778.
Series "B," outstanding $1,000,000.

Dividend Record—
Preferred—6½ per cent cumulative from May 1, 1928, payable Feb., May, Aug. and Nov. 1. Initial payment made on Aug. 1, 1928. Passed Nov. 1, 1931.
Common—Initial dividend of 50 cents per share paid Jan. 15, 1930. This dividend was a special dividend. None reported since.

Officers and Directors—

Officers—R. R. Symington, pres.; H. Ormond, K.C., vice-pres.; A. Wachsmuth, vice-pres. and gen. mgr.; W. S. Sparrow, sec.-treas.; F. J. Walker, mgr.

Directors — R. R. Symington, F. O. Woodman, Montreal; A. Wachsmuth, H. Ormond, K.C., W. S. Sparrow, Winnipeg.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1930 H	1930 L
Pref.	91	85	96½	90	100	93

CANADA CEMENT CO.

Slowing Up of New Construction Work is Reflected in Small Decline in Sales of Cement — Company Converts Plants to "Wet" Process

Sales of cement in Canada showed a decrease of about 10 per cent in the first ten months of 1931. Since Canada Cement Co. is the largest producer in the Dominion, these figures throw a definite light on the company's operations. Prices remained fairly steady but a decline in earnings for the year ended October 30, 1931, is to be expected.

The company has effected many improvements to its properties in recent years. All its plants have been turned over to the wet process of manufacture, new warehousing and distributing facilities have been arranged and capital expenditures on this account have led to increased efficiency and lower operating expenses.

Canada Cement Co.'s earnings in the last fiscal year were sufficient to cover preferred dividend requirements.

Capitalization—	Authorized	Outstanding
Common .... No par value.	750,000 sh	600,000 sh.
Preference ..... Par value $100 and $5.	$25,000,000	$20,980,500

Funded Debt—
First mortgage 5½ per cent bonds, series "A," due 1947, outstanding $19,600,000.

In addition the company had outstanding as at Nov. 30, 1930, purchase money obligations amounting to $1,200,000 payable $300,000 per year.

Dividend Record—
Preferred—6½ per cent cumulative from Dec. 1, 1927, payable quarterly March 31, June 30, Sept. 30 and Dec. 31.
Common—None paid on new shares.

Officers and Directors—

Officers—J. D. Johnson, pres. and gen. mgr.; H. L. Doble, vice-pres. and compt.; F. B. Kilbourn, gen. supt.

Directors—A. C. Tagge, H. L. Doble, J. D. Johnson, F. P. Jones, Hon. C. C. Ballantyne, Hon. J. P. B. Casgrain, Sir H. S. Holt, Montreal; H. J. Fuller, New York; G. W. Allan, Winnipeg; E. M. Young, Allentown, Pa.; D. M. Butchart, Owen Sound, Ont.; Dr. R. E. Webster, Maitland, Ont.; T. A. Russell, J. H. Gundy, Toronto; G. C. Edwards, Ottawa; F. B. Kilbourn, Montreal.

Times Bond Interest Earned:

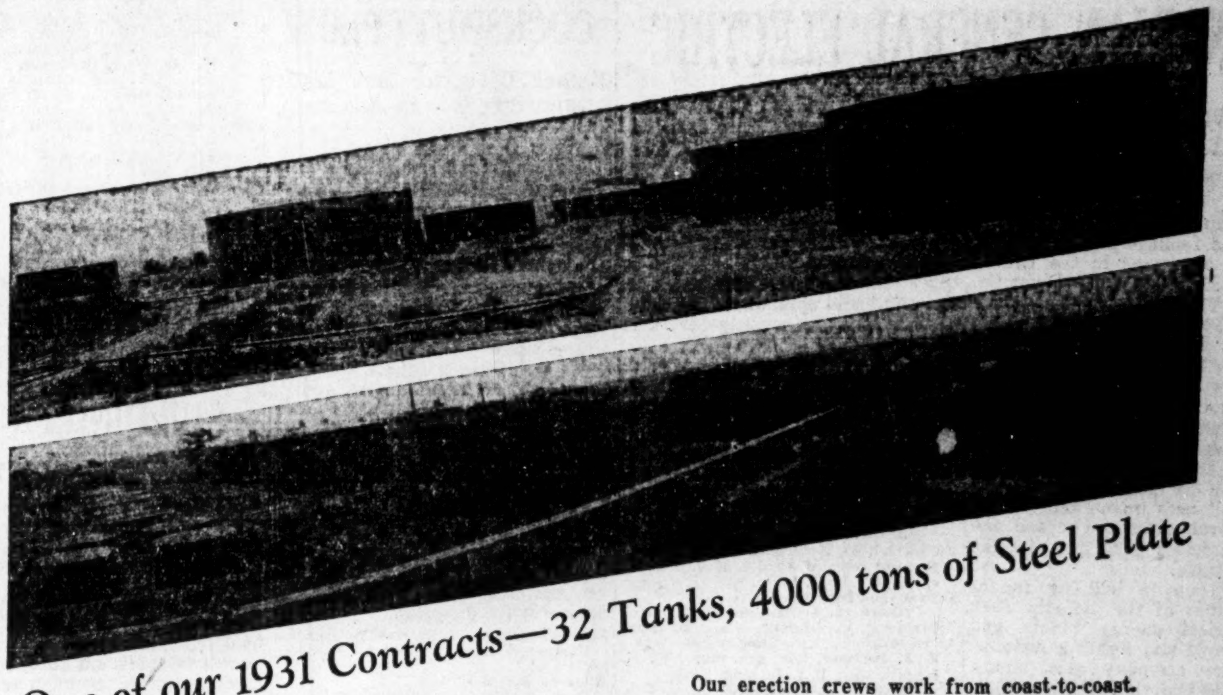
Year End. Nov. 30:	1930	1929	1928
Before deprec.	4.72	4.74	4.25
After deprec.	2.85	2.88	2.80

Earnings per Share and Dividend Record:

	1930	1929	1928
Pref. ($100 par value):			
Earned	$7.46	$7.62	$6.64
Paid	6.50	6.50	6.50
Common:			
Earned	0.33	0.39	0.05
None paid.			

Market Record:

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	18⅞	5	19½	11⅞	86	14
Pref.	96½	63	98	90	99¾	90



One of our 1931 Contracts—32 Tanks, 4000 tons of Steel Plate

Our erection crews work from coast-to-coast.
Consult us about your steel plate problems.

FAR-SEEING INDUSTRIAL LEADERS—look forward with unshaken confidence in Canada's future and are taking advantage of low building costs to equip their plants to produce in Canada goods heretofore imported.

THE
TORONTO IRON WORKS
LIMITED
TORONTO
Head Office: Royal Bank Bldg.
Works: Eastern Ave.
Tel. Gladstone 1177
Montreal — New Birks Building

Meeting the Test

IT takes a storm to show the real qualities of a ship, and it is a time of difficulty which tests the courage and resource of a man or a nation.

Canada has met this test many times since Confederation—and is meeting it today with a spirit worthy of the finest of Canadian traditions. By such a spirit, the troubles of the present will give way to new progress and prosperity.

As a Canadian Institution, this Company fully accepts its responsibilities. It aims to offer the highest quality and value in its products, to maintain efficient service, to protect its workers and to provide maximum employment. During the past years the Company has demonstrated its faith by substantial additions to plant and equipment.

By such means, this Company endeavors to do its part in meeting the needs of the present and thus to share in Canada's boundless future.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON STELCO MONTREAL

SALES OFFICES: HAMILTON, MONTREAL, TORONTO, HALIFAX, ST. JOHN, WINNIPEG, VANCOUVER
WORKS: HAMILTON, MONTREAL, TORONTO, BRANTFORD, GANANOQUE, LONDON, LACHINE

COKE PIG IRON BARS ROLLED SECTIONS SHEETS TRACK FASTENINGS DROP FORGINGS
BOLTS AND NUTS WASHERS SPIKES AND RIVETS POLE LINE HARDWARE PIPE HORSE SHOES HORSE NAILS
TOE CALKS WIRE AND WIRE PRODUCTS NAILS STAPLES TACKS SCREWS LEAD PRODUCTS

CANADIAN GENERAL ELECTRIC

Engineers Design and Develop New Types of Power Electric Apparatus in Year of Adverse General Business — In Sound Position

Canadian General Electric Co. which was founded in 1892 as the result of a merger in the United States of Edison Electric Light Co. of New York and the Thompson Houston Electric Co. of Boston, has expanded its manufacturing and sales efforts in Canada with Canadian growth, thus maintaining its position as the leader in its line.

Canadian General Electric Co. has the exclusive right to manufacture and sell in Canada and Newfoundland all electrical apparatus and appliances manufactured by the General Electric Co. and the Allis Chalmers Mfg. Co. in the United States.

In addition to building fundamental lines of the industry such as electrical energy plants and units, lamps and lighting installations, the company also makes radios, electric refrigerators, electric ranges, washing machines vacuum cleaners and electric and hydraulic machinery for the mining and pulp industries.

The company is credited with having constructed generators and turbines producing more than half of the hydro-electric power output in Canada.

The company has an exceedingly strong working capital position and its earnings on the average applicable to both preferred and common shares, have been excellent over the last decade. The lower level of business in 1931 had an adverse effect upon the electrical industry. Engineers of Canadian General Electric successfully designed and developed many new types of electrical power apparatus and household appliances. The company is in a distinctively favorable position.

Capitalization—	Authorized	Outstanding
Common	$18,000,000	$9,442,250
Preferred		$8,557,750

Par $50.

Dividend Record—

Preferred—7% per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1.

Common—$4 per share per annum, payable quarterly, Jan., Apr., July and Oct. 1. Increased from $3 with payment of Apr. 1, 1931. None paid from 1924 until payment resumed April 1, 1930. A bonus of $1 paid Jan. 1, 1931.

Officers and Directors—

Officers—A. E. Dyment, chairman of board; D. C. Durland, pres.; S. Haas, vice-pres.; J. J. Ashworth, gen. mgr.; J. A. Bremner, asst. gen. mgr.; W. H. Nesbitt, sec.; E. I. Jenking, treas.

Directors—A. E. Dyment, H. C. Cox, D. C. Durland, J. J. Ashworth, G. W. Beardmore, Stephen Haas, W. L. Matthews, His Hon. W. D. Ross, A. M. Stewart, K.C., J. H. Black, Toronto, Ont.; Sir Herbert Holt, Julian C. Smith, Montreal, Que.; J. A. Richardson, Winnipeg, Man.; W. J. Blake Wilson, Vancouver; Hon. F. B. McCurdy, Halifax, N.S.

Earn. per Share and Div. Record:

Yr. Ended Dec. 31.	1930	1929	1928
Preferred:			
Earned .	$22.00	$25.88	$21.59
Paid ...	3.50	3.50	3.50
Common:			
Earned ..	16.77	20.28	16.40
Paid	3.00+1.00	...	...

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	300	200	420	250	405	135
Pref.	63½	54	65½	58	62	56

PAGE-HERSEY TUBES

Strong Company Has Earned Dividends Through Depressed Business Period

Although Page-Hersey Tubes did not enjoy in 1931 the high level of prosperity which characterized operations during the preceding five years, it is reliably reported that the company comfortably covered its dividends of $5 a share on the common stock. Business in Western Canada was very much down but in B. C., Quebec and in the export market the company is understood to have maintained sales quite well.

The company produces pipes and tubing for practically every industrial purpose as well as bends, sockets, nipples, railway signals, tubes, steel tubes for gas wells, pipe lines for piping oil and gas, clamps, tubular poles and columns, steel conduits and couples for electric wiring, and coils for heating apparatus, refrigerator plants, drying rooms, flue factories, sugar refineries and general engineering purposes.

The company which was incorporated in 1902, has five plants, two at Welland which makes both lap and butt welded pipes, a plant at Guelph making butt welded pipe and two plants at Cohoes, N.Y., which makes wrought iron skelp, wrought iron pipes and conduits for electrical purposes.

During the last months of 1931, operations began in the new $2,000,000 plant on the outskirts of Welland built to manufacture seamless tubes for the oil industry.

The company in recent years has eliminated its bonded indebtdness and most of its preferred stock.

Capitalization—	Authorized	Outstanding
Preferred	$3,000,000	$18,900
Par $100.		
Common	175,000 shs.	174,132 shs.
No par value.		

Funded Debt—
None.

Dividend Record—

Preferred—7% per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1.

Common—$5 per annum, payable quarterly, same as preferred. Initial dividend at this rate paid April 1, 1930. Previous rate was $4 per annum.

Officers—W. W. Near, pres. and man. dir.; Hon. H. C. Scholfield, vice-pres.; H. Rooke, sec.-treas.

Directors—W. W. Near, Hon. H. C. Scholfield, Sir Henry M. Pellatt, A. W. Holmstead, A. E. Ames, Gordon F. Perry, Toronto; R. C. Poskenzer, Albany, N.Y.; C. L. Dunbar, Guelph, Ont.; H. J. Fuller, New York.

Earnings per Share and Dividend Record:

	1930	1929
Preferred:		
Earned	$7,383.88	$3,311.16
Paid	7.00	7.00
Common:		
Earned	10.33	11.29
Paid	5.00	4.00

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	98½	68	105	75	141	75

COCKSHUTT PLOW

Passes Dividend But Maintains Strength in Adverse Period

Cockshutt Plow Company is a leading manufacturer of agricultural implements in Canada. Operations have continued at Brantford since 1880 and the works there now cover more than 33 acres.

With the purchasing power of the farmers throughout Canada at a very low point because of the unprecedented fall in grain, dairy, meat and other products, the company had a loss in the year ending Nov. 30, 1931, as compared with considerable profits in preceding years.

Because of conditions the company was obliged to pass its common dividend in 1931 but as it has no funded indebtedness, it is in an excellent position with its present liquid resources to take quick advantage of any improvement in demand for its products.

Capitalization—	Authorized	Outstanding
Common .... (n.p.v.)	500,000 sh.	288,600 sh.

Dividend Record—

Common—None at present. $1.50 per annum paid from Feb. 1, 1929, to Feb. 1, 1931, when reduced to 60c. per annum. Passed Aug. 1, 1931, and since.

Officers and Directors—

Officers—Col. H. Cockshutt, chm. of board and pres.; F. Perry, 1st vice-pres.; A. K. Bunnell, 2nd vice-pres.; G. K. Wedlake, mgr.; E. Sweet, sec.; W. J. Phillips, compt. and asst. sec.; C. R. Stiles, treas.

Directors—Col. H. Cockshutt, A. K. Bunnell, Brantford, Ont.; G. A. Baker, Toronto; F. Perry, W. C. Pitfield, Montreal.

Earnings per Share and Dividend Record:

Yr. End. Nov. 30:	1931	1930	1929
Common (new):			
Earned*	....	$0.58	$2.80
Paid	$0.30	1.50	1.12½

*After depreciation, accounts written off and provision for taxes and unadjusted claims, and in 1930, provision for doubtful accounts.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	10	3	25	9½	53	16

CAN. LOCOMOTIVE

Retrenchment by Railways Lowers Demand for Locomotives

The Canadian Locomotive Co. of Kingston, Ont., manufactures steam and electric locomotives and mining machinery. The plant at Kingston has an annual capacity of about 180 locomotives. The company has been in business since 1855 under Ontario provincial laws.

With railway companies retrenching, locomotive orders under present conditions are not large. The company has been developing mining and other business to fill up low periods of activity in making locomotives.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. ...	$1,500,000	$1,500,000
Common	2,000,000	2,000,000

Par $100.

Funded Debt—

1st mtge. 6 per cent bonds, due 1951, outstanding $1,500,000.

Dividend Record—

Preference—7 per cent per annum, cumulative, payable Jan., April, July and Oct. 1. Dividend passed April 1, 1930. None since.

Ordinary—None paid since Jan. 1, 1925.

Officers and Directors—

Officers—W. Harty, pres. and chm. of board; W. Casey, vice-pres. and gen. mgr.; G. W. Daly, sec.; J. Fournier, treas.

Directors—W. Harty, C. Bermingham, W. Casey, J. A. Macdonald, Kingston; J. Gill Gardiner, Brockville, Ont.; F. G. Wallace, Pittsburgh, Pa.; H. F. Osler, Winnipeg, Man.; J. F. M. Stewart, Toronto; W. F. Angus, Montreal.

Times Bond Interest Earned:

Year End. Dec. 31:	1930	1929	1928
Before deprec. ..	4.74	2.59	....
After deprec. ...	3.07	0.93	....

Earnings per Share and Dividend Record:

		1930	1929	1928
Pref.:	Earned	$11.43	....	....
	Paid	....	$7.00	$7.00
Ordinary:	Earned	*$3.33	....	....
	Paid—None.			

*After deducting full year's preferred dividend, but not taking arrears into consideration.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	18	1	25	25	61	35
Pref.	25	5	76	25	92	68

BUILDING PROD.

Company Completes Year of Expansion to Plants

Despite the general decline in constructional activity, Building Products Ltd., experienced a satisfactory year in 1931, and the financial statement is expected to show earnings sufficient to cover the $2 dividend on the common stock.

The company is completing a programme of plant expansion. Last year a new unit, producing pre-molded asphalt, was brought into operation at Hamilton, while a further addition for the manufacture of asphalt floor tiles is virtually completed. Hitherto the latter product has been imported into Canada, and a ready market is anticipated.

The company manufactures a wide line of general building materials together with fibre shipping cases and a product known as Insul-Board.

Capitalization—	Authorized	Outstanding
Class "A"	116,346 sh.	116,346 sh.
Class "B"	4,500 sh.	4,500 sh.

N.p.v.

Dividend Record—

Common, Class "A" and "B"—$2 per share per annum, payable quarterly Jan., Apr., July and Oct. 1. Increased from $1.60, effective as of the last quarter of 1929.

Officers and Directors—

Officers—P. R. Allen, pres.; W. R. McNeil, vice-pres. and man. dir.; R. C. Crooker, sec.-treas.

Directors—P. R. Allen, East Walpole, Mass.; W. R. McNeil, Montreal; A. E. Ames, Toronto, C. P. Cowan, Montreal; D. P. Hatch, Montreal; H. R. Tudhope, Toronto; G. M. McKee, Montreal; C. B. McNaught, Toronto; G. H. Montgomery, K.C., Montreal.

Earnings per Share and Dividend Record:

Yr. End. Dec. 31:	1930	1929	1928
Classes "A" & "B":			
Earned	$2.70	$3.41	$2.46
Paid	2.00	1.70	1.30

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Class "A"	26	15½	29½	20	46	22

MASSEY-HARRIS

Largest Manufacturer of Farm Machinery in Empire Cuts Expenses

Though Massey-Harris Company's annual statement for the year ending Nov. 30, 1931, will not be available until early in March, the company has had a considerable drop in total volume of business as have all other agricultural implement companies.

Drastic economies in utilization are of plant, equipment and personnel during 1931 have put the company on a strong operating basis, and though restricted to the demands of a low market, improvement in business would find the company in a position to take quick advantage of the situation.

The company has large amounts in accounts receivable still on its books which under present conditions entail slow collections, and it has also large inventories

As a result of the reduction of inventories, the drastic economy accounts, the company has been able to confront the most adverse year in its history in a way that has allowed it to reduce bank indebtedness, it is understood, below the total of $11,500,000 shown on Nov. 30, 1930.

It will be some weeks yet before full data have been received from the various subsidiaries of the company in France, Germany and elsewhere. It is understood that there will be a drastic revaluation of inventories in line with present prices.

Capitalization—	Authorized	Outstanding
Pref. 5%	$15,000,000	$12,089,900
Par $100.		
Common	1,000,000 shs.	729,409 shs.
No par value.		

Funded Debt—

Sinking fund gold debs., 5 per cent, due 1947, outstanding $9,727,500.

Guaranteed Bonds—In 1928, company assumed $1,029,000 outstanding 5 per cent bonds of J. I. Case Plow Works, on plant at Racine, Wis.; as at Nov. 30, 1930, company had purchased $360,900; outstanding with public, Feb. 23, 1931, $593,100.

Dividend Record—

Preferred—5 per cent cumulative, payable quarterly Feb., May, Aug. and Nov. 15. Initial quarterly dividend on the new 5 per cent preferred shares paid on July 15, 1929. Payment due Feb. 16, 1931, deferred. None since.

Common—None at present. Formerly $3 per annum, payable quarterly, Jan., Apr., July and Oct. 15. Initial payment made April 15, 1929. Payment due Oct. 15, 1930, passed. None since.

Officers and Directors—

Officers—J. N. Shenstone, chairman; T. A. Russell, pres.; B. W. Burtsell, vice-pres. and gen. mgr.; C. L. Wisner, vice-pres. and asst. gen. mgr., foreign sales; George Valentine, vice-pres. and asst. gen. mgr. manufacturing; C. N. Appleton, sec.

Directors*—For 5 years: J. N. Shenstone, T. A. Russell, J. H. Gundy, C. S. Blackwell, A. D. Armitage, B. W. Burtsell. J. F. Lash, F. K. Morrow, Toronto; G. W. McLaughlin, Oshawa. For 4 years: E. R. Wood, Toronto. For 3 years: F. P. Jones, Montreal. For 2 years: J. A. Kilpatrick, Toronto. For 1 year: A. S. Patterson, Toronto.

*At annual meeting, 1931, by-law passed increasing number of directors from 12 to 15, and dividing board into 5 classes elected for periods of from 5 to 1 year. Present board all dated from 1931.

Six Years' Earnings—

Years Ended Nov. 30.	Earnings	Dividends	Surplus
1925	$3,007,682	$......	$2,359,883
1926	3,005,220	846,293	3,509,358
1927	3,866,601	846,293	5,123,418
1928	4,072,916	846,293	6,982,098
1929	4,740,915	1,994,833	5,786,338
1930	896,027	2,241,511	247,387

Times Bond Interest Earned:

Years End. Nov. 30:	1930	1929	1928
After int. on. borrowings	0.67	7.24	6.85
After int. on borrow. & deprec. ..	...	6.03	5.86

Earn. per Share and Div. Record:

	1930	1929	1928
7% Pref.:			
Earned ..	...	...	15.52
Paid	...	3.50	7.00
5% Pref.:			
Earned .	...	22.11	...
Paid	5.00	2.50	...
Common:			
Earned ..	...	2.68	2.13
Paid	2.25	2.25	...

Shares Outstanding as at Nov. 30:

	1930	1929	1928
7% pref. .	....	....	120,899
5% pref.	120,899	120,899	....
Com. ..	729,409	725,970	483,596

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	10½	1⅝	45	9⅝	99½	32½

RUSSELL MOTOR CAR

Slow Retail Trade in 1931—Current Activity is Greater

Russell Motor Car Co. passed dividends on the common shares during 1931 because of the slower retail trade encountered by most of its subsidiaries engaged in the motor cycle, screw and gear, bicycle and automobile businesses.

The company is recommencing activity on a larger scale currently and hopes with other manufacturers for improved business in 1932.

Capitalization—	Authorized	Outstanding
Preferred	$1,200,000	$1,200,000
Common	800,000	800,000

Par $100.

Funded Debt—
None.

Dividend Record—

Preferred—7 per cent per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1.

Common—2 per cent per annum, payable quarterly, same dates as preferred. Rate was increased from 4 per cent to 5 per cent in 1929. A bonus of 1 per cent paid Feb. 1, 1930. Rate was reduced to 3 per cent per annum Aug. 1, 1931, and to 2 per cent per annum with payment of ½ of 1 per cent Feb. 1, 1932.

Officers and Directors—

Officers—T. A. Russell, pres.; A. E. Ames, vice-pres.; G. W. Suggitt, sec.

Directors—T. A. Russell, A. E. Ames, J. N. Shenstone, Hon. E. B. Ryckman, H. D. Scully, J. W. Gibson, Toronto, Ont.; J. W. Widdup, Brantford, Ont.

Earn. per Share and Dividend Record:

	1930	1929
Preferred: Earned..	$11.15	$12.04
Paid	7.00	7.00
Common: Earned ..	6.25	7.56
Paid	5.00	5+1

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	77½	32	96	79½	100	82
Pref.	95	72½	102	93	116	100

WILLYS-OVERLAND

Capitalization—	Authorized	Outstanding
Common	$3,000,000	$3,000,000

Par $100.

Of the issued stock $2,176,000 is owned by Willys-Overland Co., the parent company, and $800,000 by Russell Motor Car Co.

Funded Debt—
None.

Officers and Directors—

Officers—T. A. Russell, pres. and gen. man.; L. A. Miller, vice-pres.; J. H. Gerkens, treas.; T. K. Jones, sec.

Directors—John N. Willys, chm. of board; C. O. Miniger, L. A. Miller, Gordon Mather, Toledo, Ohio; T. A. Russell, A. E. Ames, J. H. Gerkens, Toronto.

ENGLISH ELECTRIC

Maintained Good Position in 1931 — Earnings Lower, Dividends Uncertain

English Electric Co. of Canada maintained a strong position in 1931.

Earnings of the company in the first half were lower than in 1930 but were above dividend requirements. In the latter half there was considerable business in the electrical industry but of a rather spotty character and it has been difficult to predict from month to month what levels were likely to be.

So far that is the situation for the first quarter of 1932.

Capitalization—	Authorized	Outstanding
Blass "A"	50,000 shs.	40,000 shs.
Class "B"	50,000 shs.	40,000 shs.

n.p.v.

Dividend Record—

Class "A"—$3 per share per annum, payable quarterly, Jan., April, July and Oct. 15. Initial payment of $1.50 Jan. 15, 1929. Regular quarterly payments thereafter.

Officers and Directors—

Officers—R. A. Stinson, pres. and gen. mgr.; Gordon F. Perry, chm. of the board; Aubrey Mundy, sec.

Directors—Gordon F. Perry, chm. of the board, Toronto; R. A. Stinson, St. Catharines, Ont.; Hon. F. H. Phippen, K.C., R. Home Smith, T. H. Watson, Col. Norman D. Perry, Toronto; D. H. McDougall, Stellarton, N.S.; P. A. Thomson, Montreal; Lord Meston, K.C.S.I., P. J. Pybus, C.B.E., London, Eng.

Year Eded Dec. 31:

Earnings per Share and Dividend Record:

	1930	1929	1928
Class "A": Earned*	$4.52	$7.52	$5.08
Earned†	3.76	4.00	4.00
Paid	3.00	3.00	1.50
Class "B": Earned*..	1.52	4.52	§2.08
Earned†	0.76	3.52	§1.08
None paid.			

*Before participation feature.

†Represents total amount which might be distributed from earnings under participation feature.

§After full year's dividend on class "A."

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Class "A"..	40	20	43	30	46	25
Class "B"..	16	2	28	15	33	23

HAYES WHEELS

Develops New Lines But Auto Parts Are Most Important

Earnings of Hayes Wheels & Forgings Ltd., depend in a large degree upon the activity of the automobile industry for which it makes wood and metal disc automobile wheels, hubs, rims, front and rear axle assemblies, motors and a general line of automobile forgings. The company controls Canadian General Rubber Co., which makes a variety of rubber goods. During 1931 the company put on the market a new electric refrigerator and proceeded with the development of an aeroplane. In the first part of 1931 operations were adversely affected by low level of automobile production and dumping of parts from the United States. Tariff revision aided the company to some extent.

Capitalization—	Authorized	Outstanding
Pref. 7% cum.	$1,500,000	$581,000
Par $100.		
Com., n. p. v.	100,000 shs.	68,000 shs.

Funded Debt—

1st mtge. 6 per cent series "A" bonds, due 1942, outstanding $489,700.

Dividend Record—

Preferred—7 per cent per annum cumulative from April 1, 1927. Paid regularly, Jan., Apr., July and Oct. 1, to Oct. 1, 1930. Dividend payable Jan. 1, 1931, passed. None since.

Common—Formerly $2.00 per share per annum. Initial payment of 50 cents per share paid on April 1, 1929. Payment due April 1, 1930, passed. Paid 50 cents July 1, 1930. Payment due Oct. 1, 1930, passed None since.

Officers and Directors—

Officers — Hon. J. D. Chaplin, M.P., pres.; A. D. Chaplin, vice-pres. and treas.; W. Kistler, gen. mgr.; W. R. Peck, sec.

Directors—Hon. J. D. Chaplin, M.P., C. G. McGhie, F. N. Hara, E. E. H. Wright, A. F. Fifield, St. Catharines, Ont.; W. Kistler, A. D. Chaplin, W. A. Wecker, H. W. Taylor, Chatham, Ont.; J. H. Ratcliffe, Toronto; D. J. McLean, Lindsay, Ont.; R. E. Carpenter, Toledo, Ohio; C. A. Dana, New York City.

Times Interest Earned:

Years End. Dec. 31:	1930	1929	1928
Before deprec.	......	13.76	13.21
After deprec.	......	9.18	9.73

Earnings per Share and Div. Record:

	1930	1929	1928
Preferred:			
Earned	...	$43.17	$41.66
Paid	7.00	7.00	7.00
Common:			
Earned	...	3.09	4.33
Paid	1.00	2.00	...

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	12	2½	31	6	65	28
Pref.	..	..	95	80	105	100

DOMINION MOTORS

Production Down for 1931—Negotiates With U. S. Manufacturers

Dominion Motors, successor to Durant Motors of Canada, holds Canadian rights for manufacture and sale of Durant cars and Rugby trucks. Negotiations were carried on during the year with important United States manufacturers with the object of producing their cars in Canada. 1931 showed large decreases in output with this company as with all other motor companies in Canada and the U. S.

Control came to Canada for this company in 1931.

Capitalization—	Authorized	Outstanding
Common	$3,000,000	$2,870,000

Par $10.

Dividend Record—

Common—Dividend of 20 cents per share paid Oct. 5, 1931.

Officers—Roy D. Kerby, pres. and gen. mgr.; J. A. Brand, sec.-treas. and compt.; P. J. Duggan, Sales mgr.; F. B. Averill, factory mgr.

Directors—Roy D. Kerby, J. A. Brand, J. E. Carruthers, A. Bicknell, K.C., Toronto; E. Wilson, Ingersoll, Ont.

Market Record—

	1931 High	1931 Low	*1930 High	*1930 Low
Common	11½	2½	10	3½

*Durant Motors.

WATERLOO MFG.

Completed Plant to Make Sunshine Harvesters in 1931

Waterloo Mfg. Co. has in 1931 been meeting the adverse business conditions which have confronted all manufacturers who sell to the farm population in Canada and other countries.

The company has not made public a financial statement for the period following October 31, 1930

The company is now in a position to manufacture Sunshine-Waterloo combine harvesters as the plant was completed at the end of 1930. This plant is jointly owned by the company and the H. V. McKay Co. of Australia.

Capitalization—	Authorized	Outstanding
Class "A"	100,000 shs.	81,840 shs.
Class "B"	27,500 shs.	27,500 shs.

N.p.v.

Dividend Record—

Class "A"—None at present. Entitled to $1 per share per annum cumulative, payable quarterly. Initial payment of 25c. per share was paid on Aug. 1, 1928, and regularly up to and including Nov. 1, 1930. None since.

Class "B"—Initial payment of 50c. was made on Feb. 1, 1929. None paid since.

Officers and Directors—

Officers—A. T. Thom, pres. and gen. mgr.; H. A. Greene, vice-pres.; A. M. Snider, sec.

Directors—C. W. Snider, W. W. Snider, A. M. Snider, A. T. Thom, Waterloo; H. A. Greene, E. G. McMillan, Toronto.

Earnings per Share and Dividend Record:*

Yr. End. Oct. 31:	1930	1929	1928
Class "A": Earned†	...	$1.25	$4.60
Earned‡	...	1.00	3.15
Paid	1.00	1.00	0.50
Class "B" Earned§	...	0.74	3.15
Paid	...	0.50	...

*Based on number of shares outstanding at end of fiscal year.

†Before taking participation provisions into consideration.

‡Maximum distribution under participation provisions.

§Maximum distribution under participation provisions, after providing $1 per share on the class "A" shares.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Class "A"	7½	2	16¼	6	39	14

FAITH • *The Mainspring of Prosperity*

Canada's destiny as a great industrial nation is assured by her fabulous natural resources of fertile field, vast forests, rich mines and abundant water powers.

Every step forward in the development of these resources creates new wealth, builds new industries, increases employment, offers opportunities for new settlers and increases our home market for all commodities.

The economic and industrial history of the Dominion is a record of steady and practically uninterrupted growth.

We have prepared to meet the increasing demands of industry and individuals thus ensuring the unfailing service and the uniform high quality which have made our products the standards of excellence in their fields.

Alexander Murray & Company, Limited
Canada Creosoting Company, Limited
Fibre Conduits Canada, Limited

•
COAL TAR PRODUCTS
•
ROOFING, INSULATING, PAVING, & GENERAL BUILDING MATERIALS
•
CORNWALL FIBRE CONDUITS

•
ROAD MATERIALS
•
CREOSOTING, CREOSOTED PILES, POLES & LUMBER
•
CORNWALL UNDER FLOOR DUCT SYSTEM

Dominion Tar & Chemical Company, Limited

Canada Cement Company Building . . . Montreal

DOM. STEEL AND COAL

All Divisions of Maritime Company Reflect Decline in General Industrial Activity — Loss on Coal Operations in 1931

Operations of Dominion Steel & Coal Corp. and its subsidiary units were not altogether satisfactory during the past year, due to the lower demand for steel rails by the railways, decline in consumption for other steel and iron products, as well as in lower sales of coal. It is the anticipation that the profit and loss statement for 1931 will reflect a shrinkage of earning power, though a small profit might be shown after taking care of all prior charges.

Outlook for Dominion Steel this year is uncertain at the moment. Unless there is a marked pick-up in railroad construction, as well as in general business, production figures for 1932 are likely to be even less than those set up in the past year.

Depends on Railways

The steel rolling mill at Sydney is very largely dependent for its welfare upon orders received from the railways for steel rails. The railway situation is unsettled just now and it is unlikely that any extensive branch line construction will be undertaken this year. The replacement business is also likely to be small in view of the fact that the railways do not wish to commit themselves to any heavy capital expenditures until there is a definite improvement in the volume of freight and passenger traffic.

In the other branches of the iron and steel business the outlook this year is as indeterminate as that for the steel rail department. The demand for angles, nails of various kinds, and other products of this division has been sharply curtailed.

Coal Business Falls Off

Coal mining operations of Dominion Steel, which are largely carried on through the Dominion Coal Co., were not satisfactory in 1931. Not only did demand fall off, but the high cost of production made it difficult for the company to show any reasonable profit upon this branch of its activities.

At the present time, the coal industry of Nova Scotia is being investigated by a Royal Commission, primarily with a view to settling the differences between the company and the United Mine Workers in respect to wages. The company has asked for a cut of 13½ per cent in wages, but this move has been opposed by the executive of the Mine Workers.

Coking operations at Sydney have been carried out on a smaller scale, due to the lack of demand arising from heavy importations from the United States. Considerable attention is devoted to increase in sale of coke and its various by-products, but the results to date have not been altogether to the satisfaction of the management.

Dominion Steel and Coal, through its subsidiaries, operates the important iron ore mines at Wabana on Bell Island. Production of iron ore during the past year was considerably less than in 1931, due to the lower demand for this commodity from the steel mills at Sydney, and also to the falling off in export business to Germany and the United States. It is reported that the amount of ore banked will be sufficient to take care of all ordinary needs for some time to come, and there is no expectation that mining operations will be resumed on any substantial basis, unless there is an improvement in market conditions at the opening of navigation this year. There is no particular reason for expecting an improvement in the position of Dominion Steel and Coal Corp. this year, unless the industrial situation makes a marked change for the better this spring.

Capitalization—	Authorized	Outstanding
Common "B" ... Par $25.	$25,000,000	$21,044,000
Preferred "A" .. Par $40.	40,000,000	nil

Funded Debt—

6 per cent first mortgage sinking fund gold debenture stock, due Sept. 1, 1939; outstanding $13,499,995.†

†Including $6,612,447 pledged as security for loans.

Officers and Directors—

Officers—C. B. McNaught, pres.; H. J. Kelley, vice-pres. and gen. mgr.; C. S. Cameron, vice-pres., sec. and treas.; Maj.-Gen. The Hon. Sir N. J. Moore, K.C.M.G., V.D., M.P., vice-pres.; G. F. Downs, vice-pres.; C. B. Lang, vice-pres. i/c steel sales; A. M. Irvine, vice-pres. i/c coal sales; A. Cross, asst. to vice-pres. and treas.; W. A. Doig, asst. sec.

Directors—Hon. C. P. Beaubien, K.C., C. S. Cameron, Hon. J. P. B. Casgrain, G. F. Downs, G. H. Duggan, Sir C. B. Gordon, G.B.E., Sir H. S. Holt, K.B., G. H. Montgomery, K.C., Hon. L. C. Webster, Montreal, P.Q.; C. J. Burchell, K.C., Halifax, N.S.; J. H. Gundy, J. A. Kilpatrick, C. B. McNaught, Toronto; Rt. Hon. Lord Invernairn, Glasgow, Scot.; H. J. Kelley, Sydney, N.S.; Maj.-Gen. the Hon. Sir N. J. Moore, K.C.M.G., V.D., M.P., London, Eng.

Times Interest Earned:

Year End. Dec. 31, 1930:

Before sink. fund, deprec. & depl.	$3.38
After sink. fund, deprec. & depl.	2.26
Earnings per Share	$1.02

No dividends have been paid.

Market Record—

	1931 H	1931 L	1930 H	1930 L
Class "B"	8½	1	14	4½

DOMINION COAL

(Controlled by Dominion Steel & Coal Corp.)

Capitalization—	Authorized	Outstanding
Pref. 7% cum.	$3,000,000	$3,000,000
Common (Par $100).	15,000,000	15,000,000

The common stock of the company is all held by the Dominion Steel & Coal Corp.

Funded Debt—

First mortgage 5 per cent bonds, due 1940, outstanding $3,363,000.

Cumulative income bonds, 6 per cent, issued in February, 1912, in exchange for $3,500,000 preference stock of Dominion Steel Corporation.

First mortgage bonds, 6 per cent, due 1955, issued $5,000,000. All held in company's treasury.

Dividend Record—

Preferred 7 per cent per annum. Paid regularly to Feb., 1924. None since.

Officers and Directors—

Same as controlling company with addition of W. S. Hodgens, Toronto.

Times Interest Earned: Year End. Dec. 31:

	1931	1930	1929
Before S. F. & depr.	2.14	2.94	1.97
After S. F. & depr.	0.75	1.58	0.65

Earnings per Share and Dividend Record:

Pref.: Earned† .... $9.73 ...

None paid.

†Before making provision for arrears of dividends.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1930 H	1930 L
Pref.	40	40	70	50	90	75

NOVA SCOTIA STEEL & COAL

(Controlled by Dominion Steel & Coal Corp.)

Capitalization—	Authorized	Outstanding
Preferred	$1,030,000	$1,000,000
Common (Par $100).	15,000,000	15,000,000

Common all held by parent company.

Funded Debt—

First mortgage 5 per cent bonds, due 1959, outstanding $4,716,899.

Perpetual debenture stock 6 per cent outstanding, $4,978,500.

Dividend Record—

Preferred—8 per cent per annum, payable Jan., April, July and Oct. 15. Dividends paid regularly to Jan. 15, 1924, none since.

Common—None paid since 1921.

Officers and Directors—

Same as for Dominion Steel & Coal Corp. with addition of Col. Thos. Cantley, New Glasgow.

Times Bond Interest Earned:

Year End. Dec. 31:	1930	1929	1928
Before deprec.	1.19	2.63	1.02
After deprec.	0.32	1.78	0.45

Earnings per Share:

Pref.: Earned .... $45.58 ....

None paid.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Pref.	..	..	25	22½	30	30

ACADIA COAL CO.

(Controlled by N. S. Steel & Coal Co.)

Capitalization—	Authorized	Outstanding
1st pref. 6%	$2,000,000	$2,000,000
2nd pref. 6%	1,000,000	1,000,000
Common (Par $100).	2,000,000	1,846,100

Dividend Record—

First preferred paid in full until 1920; none since.

EASTERN CAR

(Controlled by Nova Scotia Steel & Coal Co.)

Capitalization—	Authorized	Outstanding
Preferred	$1,000,000	*$750,000
Common (Par $100).	$1,000,000	†$800,000

*Majority held by Dominion Steel and Coal Corp.

†Entirely held by N. S. Steel & Coal.

Funded Debt—

First mortgage 6 per cent bonds, due 1952, outstanding $687,582.

Dividend Record—

Preferred—6 per cent per annum, cumulative, paid in full in 1930.

Common—None paid.

CANADA IRON

Slackening in Transportation Lowers Demand for Products

Canada Iron Foundries Ltd., manufactures car wheels, cast iron pipes, brake shoes and castings of all kinds. Demand for these products has shown a tendency to decline in line with restricted railroad activity but it is understood that the company's business as a whole, did not fare too badly in 1931.

Public investment interest in the company, however, is small, since the majority of the stock was taken off the market in 1929, when control passed from Lazard Bros. and Co. to a Toronto group.

Capitalization—	Authorized	Outstanding
Preferred	$4,500,000	$3,877,800
Common	1,800,000	1,598,900

Funded Debt—

First mortgage 6 per cent debentures, due 1939, outstanding $480,000.

Dividend Record—

Preferred entitled to 6 per cent per annum, non-cumulative; 6 per cent paid May 10, 1930; 3 per cent paid Sept. 15, 1930; 6 per cent paid in 1931.

Common—3 per cent paid May 10, 1930; 1½ per cent paid Sept. 15, 1930; 3 per cent paid in 1931.

Officers and Directors—

Officers — C. L. Jobb, pres.; W. J. Langston, vice-pres. in charge of operations; B. V. Atkinson, sec.-treas.

Directors—C. L. Jobb, T. McC. Hutchison, Montreal; F. B. Richards, Cleveland, Ohio.

Times Deb. Int. and S.F. Earned:

Year End. Dec. 31.	1930	1929	1928
Before depr.	19.21	20.37	14.37
After depr.	12.44	13.95	8.27

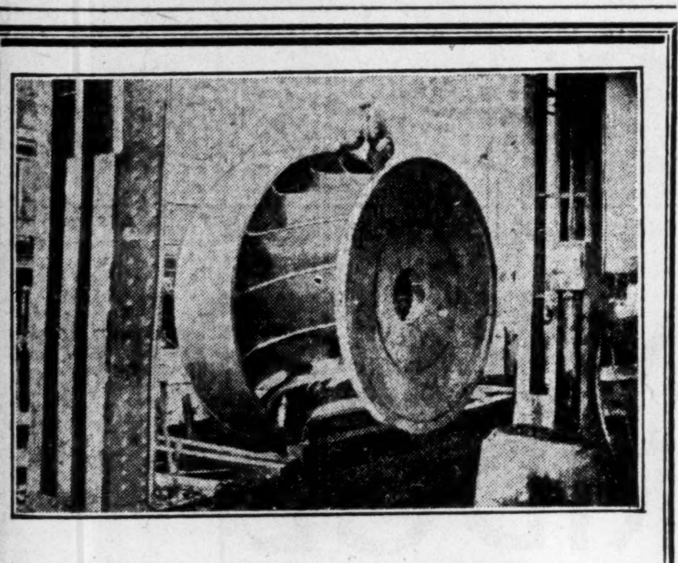
Earn. per Share and Dividend Record:

Preferred:			
Earned	$8.50	10.14	6.00
Paid*	6.00	6.00	5.00
Common:			
Earned	6.06	10.04	...
Paid*	3.00	3.00	...

*Appropriated but not paid until next fiscal year.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	68	60	70	40	65	28
Pref.	80	75	90	70	90	78½



THE steel casting illustrated above weighed nearly 100,000 lbs. and is the heart of an immense Hydro-Electric Power unit.

Your order for steel casting, whether for tons or ounces, will receive the same careful attention that is given to the manufacturers of casting such as this.

Steel plate up to 60 inches wide is rolled under the same careful supervision and inspection.

DOMINION FOUNDRIES AND STEEL LIMITED

Hamilton, Ontario

GEORGE A. FULLER

Handled Large Volume of Business During Past Year

Prospects of George A. Fuller Co. of Canada at the beginning of 1931 were favorable, for not only had the company the largest volume of business on its books in its history but also had a promising number of prospects. As yet, however, no information has been released regarding earnings last year; some of the work in prospect for the company was held up pending an improvement in business conditions.

The George A. Fuller Co. of Canada has made progress in recent years and its orders include a long list of large construction jobs, including the Royal Bank of Canada, Montreal, Bell Telephone Co. Building, Montreal, Canada Cement Bldg., Montreal and the Royal Bank Bldg., Toronto, together with many other structures in various parts of the country.

Capitalization—	Authorized	Outstanding
Pref., par $100*	$750,000	$750,000
Common† Par $100.	250,000	250,000

*George A. Fuller Co. unconditionally guarantees dividends and $100 per share plus accrued dividends in the event of liquidation.

†Entirely held by George A. Fuller Co.

Dividend Record—

Preferred—6 per cent cumulative, payable Feb., May, Aug. and Nov. 1, guaranteed by parent company; paid regularly since May 1, 1928. In addition, entitled to non-cumulative, participating dividends equivalent to 20 per cent of the residuary net profits, (maximum of $9 in any one year). Participating dividends payable within six months after end of fiscal year. Participating dividends paid as follows: $4.38 for year 1928; $4.79 for 1929. None earned or paid for 1930.

Common—$40 paid in 1929; $44 in 1930.

Officers and Directors—

Officers—Lou R. Crandall, pres.; J. F. McPherson, J. L. E. Price, vice-pres.; W. S. M. Mactier, sec.; H. G. Ripley, treas.

Directors — W. A. Black, N. L. C. Mather, J. F. McPherson, J. L. E. Price, Hon. J. M. Wilson, Montreal; J. J. Gibson, H. T. Hunter, W. L. Matthews, G. T. Pepall, D. I. McLeod, Toronto; Lou R. Crandall, R. G. Babbage, New York.

Earnings per Share and Dividend Record:

	12 mos. ended Dec. 31, 1930	8 mos. ended Dec. 31, 1929	12 mos. ended Apr. 30, 1929
Preferred:			
Earned‡	$7.92	$19.33	$19.36
Paid	6.00	4.50+4.79	6.00+4.38
Common:			
Earned	5.77	44.48	40.08
Paid	44.00	40.00	....

‡Based on net profits plus preferred dividend requirements.

STEEL CO. OF CANADA

Operations Curtailed Owing to Low Volume of Business Available—Strong Financial Position Places Company in Position to Take Advantage of Trade Upturn

With activity in the steel industry at its lowest ebb for many years, operations of Steel Co. of Canada, the largest factor in the steel industry in the Dominion, have been sharply curtailed. There has, as yet, been no intimation as to what extent earnings have been affected during the past year, but there can be no doubt they will fall below the $2.80 report on the common stock in 1930.

The wide diversification of the company's production, however, has tended to stabilize its position in face of trying conditions. Output covers the whole gamut of steel manufacture, and includes pig iron, open hearth steel, wire rods, forgings, nails, tacks, and a wide line of similar products. Demand for any or all of these lines has necessarily fallen off with the decline in constructional activity, a factor which has caused shareholders to view Steel of Canada's strong financial position with satisfaction.

In Strong Position

The current depression in the steel industry would have been viewed with more concern by those interested in Steel Co. of Canada had not the company adopted the policies, which have placed it in its present strong position. Each year substantial sums have been ploughed back in the property, manufacturing facilities have been extended without recourse to new financing, and reserves and surplus have been steadily increased. At the end of 1930, surplus stood at over $14,500,000 and working capital was $13,767,043, with a ratio of better than ten to one between current assets and current liabilities.

Taking advantage of the lower level of activities, Steel Co. of Canada last year remodelled one of its furnaces at a cost of about $100,000. This was in line with its regular programme of plant rehabilitation and it is interesting to note that bad times will have no effect on the efficiency of the various properties.

Improve Plant Facilities

Another improvement effected in 1930 was the construction of a 1,800 foot coal and ore dock at Hamilton, which caters to the largest lake vessels. Operation of these docking facilities, following the opening of the new Welland Canal, has enabled the company to obtain its ore supplies in direct shipment from these the Superior ranges. instead of by a ship-rail schedule as was the case formerly.

Capitalization—	Authorized	Outstanding
Preferred Par $25.	$10,000,000	$6,496,300
Common No par value.	600,000 shs.	460,000 shs.

Funded Debt—

First mortgage 6 per cent bonds, due 1940. outstanding $4,409,994.

Dividend Record—

Preferred—$1.75 per annum, payable quarterly, Feb., May, Aug. and Nov. 1 Initial dividend of 50 cents with bonus of 18¾ cents paid Feb., 1929.

Common—$1.75 per annum, payable same as preferred. Initial dividend of 50 cents with bonus of 18¾ cents paid Feb., 192.

Oficers and Directors—

Officers—Ross H. McMaster, pres.; H. H. Champ, vice-pres. and treas.; R. G. Wells, H. M. Jacquays, H. T. Diplock, vice-presidents; S. E. LeBrocq, comptr.; H. S. Alexander, sec.

Directors—Charles S. Wilcox, chairman of board; H. H. Champ, Maj.-Gen. the Hon. S. C. Mewburn, K.C., C.M.G., Hamilton; Ross H. McMaster, H. M. Jacquays, A. J. Brown, K.C., G. H. Duggan, Hon. Smeaton White, Montreal; Right Hon Sir Thomas White, K.C.M.G., F. G. Osler, Toronto; H. G. Dalton, Cleveland, Ohio.

Times Interest Earned:	1930	1929
Before depreciation	12.15	17.09
After depreciation	8.06	13.37
Earnings per Share and Div. Record:		
Preference: Earned†	$6.70	$13.62
Paid	1.75	1.75
Ordinary: Earned†	2.80	6.70
Paid	1.75	1.75

† Before taking participating feature into consideration.

Ten Years' Earnings—

Year	Earnings	Dividends	Surplus
1921	$1,778,661	$1,259,741	$8,298,516
1922	1,962,169	1,259,741	7,942,373
1923	2,996,580	1,259,741	8,570,248
1924	2,510,827	1,259,741	8,835,015
1925	2,825,607	1,259,741	9,293,584
1926	3,247,606	1,259,741	10,163,055
1927	3,166,280	1,259,741	10,898,685
1928	4,051,706	1,439,704	12,042,376
1929	4,936,068	1,259,741	14,020,902
1930	3,219,010	1,259,741	14,502,444

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	42¼	21	50	35	69¼	34
Pref.	37	28¾	44	34	60¾	37½

GEN. STEEL WARES

New Policies Adopted by Management to Meet Conditions

Following a sharp decline in earnings in 1930 it is not expected that General Steel Wares improved its position to any extent in 1931. Sales of the company have shown no betterment while the disruption of metal markets has caused a shrinkage in inventory values.

The company represents a merger of several companies engaged in the sheet metal, hardware and stove industry. Though the benefits of the merger have not yet been apparent, changes in management and operating policies effected last year are expected to have a favorable bearing on the company's future activity.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. Par $100.	$10,000,000	$4,500,000
Manag. pref. No par value.	3 shs.	3 shs.
Common, n.p.v.	199,997 shs.	199,997 shs.

Funded Debt—

1st mtge. 6 per cent series "A" bonds, due 1952, outstanding, $8,802,500.

Dividend Record—

Preferred—7 per cent cumulative, payable Feb., May, Aug. and Nov. 1, paid regularly Feb., 1928, to Feb., 1931, after which shareholders advised dividends would be deferred until business improved. Common: None paid.

Officers and Directors—

Officers—J. C. Newman, pres.; F. S. Corrigan, vice-pres. and gen. mgr.; G. K. Shiels, vice-pres. and asst. gen. mgr.; A. J. Clark, gen. sales mgr.; D. W. Dickson, sec.; J. M. Campbell, treas.; W. F. Holding, Jr., compt.

Directors — J. C. Newman, Senator Donat Raymond, F. M. Ross, Montreal; F. S. Corrigan, H. H. Horsfall, W. S. Hodgens, Toronto; A. J. Clark, Winnipeg.

Times Bond Interest Earned:

Years End. Dec. 31:	1930	1929	1928
Before deprec. and income taxes	0.02	*2.17	2.67
After deprec. and income taxes	...	1.61	2.00

*Before depreciation and after income taxes.

Earnings per Share and Div. Record:

Pref.: Earned	nil	$7.45	$12.35
Paid	$7.00	7.00	7.00
Com.:* Earned	nil	0.10	1.20

None paid.

*Includes preferred management shares.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	7¼	1⅛	21¼	7	42	18

ALGOMA CONSOLIDATED

Company's Plans go Steadily Forward—Organization Has Solved Problem of Contingent Liability in Respect of Subsidiaries' Bonds

Plans of Algoma Consolidated Corp., controlling Lake Superior Corp., have gone forward steadily during the past year and exchange of securities of the old company for those of the new, has been completed. Unfortunately the past year has been a poor one for the main operating subsidiary, Algoma Steel Corp., but Algoma Consolidated has set its financial structure in order and has got rid of the liabilities which attached to Lake Superior Corp. in respect to the guarantee of the bonds of Algoma Central and Hudson Bay Railway and the Algoma Central Terminals.

With activities of the steel industry far below normal it is only natural that Algoma Steel Corp. should have suffered considerably in the past year. This subsidary is one of the largest steel producers in Canada and its plant comprises 160 coke ovens, four blast furnaces, an open hearth plant, rolling mills and merchant mills.

Makes Large Extensions

Substantial additions have been made to the merchant and rail mills in recent years, involving a total outlay of nearly $3,000,000. A feature of these improvements was installation of equipment which enables the rail mill to produce 130 pound rails instead of the 100 pound units to which it was formerly limited.

Until operations of the Algoma Steel Corporation show an improvement, there is little encouragement to be seen for Algoma Consolidated Corp. since the subsidiary company is the backbone of the whole organization. The fluctuations to which the steel company's earnings are liable is seen in the fact that income from operations in the year ended June 30, 1931, was $2,838,482 while in the succeeding yearit was $148,099.

Through the scheme of arrangement whereby Algoma Consolidated Corp. came into existence, new income securities were issued which will relieve the company of certain obligations until earnings improve.

Capitalization—	Authorized	Outstanding
Pref. Cum. Red. Par $5.	$2,000,000	$2,000,000
Common, n.p.v.	800,000 sh.	600,000 sh.

Funded Debt—

Cum. income deb. stock or bonds, 5 per cent, due 1959, outstanding $3,092,500.

Officers and Directors—

Officers—Sir W. E. Stavert, chairman of the board; W. C. Franz, pres.; J. M. Dever, sec.; J. W. Gemmell, treas.

Directors—Sir W. E. Stavert, L. E. Schlemm, J. C. Newman, F. T. Meredith, K.C., F. B. Common, K.C., Montreal; W. C. Franz, E. B. Barber, Sault Ste. Marie, Ont.; R. Cheston, Jr., H. C. Coleman, E. C. Miller, Philadelphia, Pa.; Gordon F. Perry, R. Home Smith, Toronto.

LAKE SUPERIOR CORPORATION

(Controlled by Algoma Consolidated Corp.)

Capitalization—	Authorized	Outstanding
Common No par value.	400,000 sh.	400,000 sh.

Common—Exchanged for shares of Algoma Consolidated Corp. on the basis of one 7 per cent preferred share and one common share of Algoma Consolidated Corp. for each common share of Lake Superior Corp. As at June 30, 1931, over 94 per cent of this stock was owned by Algoma Consolidated Corp.

Funded Debt—

First mortgage 5 per cent bonds, due 1944, outstanding $5,278,000.

Officers and Directors—

Officers—Sir W. E. Stavert, chairman; W. C. Franz, pres.; J. C. Newman and E. C. Miller, vice-pres.; J. M. Dever, sec.; J. W. Gemmell, treas.

Directors—F. B. Common, K.C., F. E. Meredith, K.C., L. E. Schlemm, Sir W. E. Stavert, J. C. Newman, Montreal; R. Home Smith and G. F. Perry, Toronto; W. C. Franz, E. B. Barber, Sault Ste. Marie, H. C. Coleman, Radcliffe Cheston, Jr., E. C. Miller, J. M. Dever and M. L. Grimes, Philadelphia, Pa.

Year End. June 30:	1931	1930	1929
Times Interest Earned	1.22	1.05	1.02
Earnings per Share	$0.15	$0.03	$0.01

ALGOMA STEEL CORPORATION

(Controlled by Lake Superior Corp.)

Capitalization—	Authorized	Outstanding
Preferred† Par $100.	$15,000,000	$10,000,000
Common† Par $100.	15,000,000	15,000,000

†Two-thirds owned by Lake Superior Corp. and one-third by Algoma Consolidated Corp.

Funded Debt—

Purchase money bonds, 5 per cent, due 1944, outstanding $5,800,000.

First and refunding bonds, 5 per cent, due 1962, $14,341,453. In addition, $5,996,984 are held for sinking fund and $1,809,563 pledged as security against temporary advances.

Dividend Record—

Preferred—Paid regularly until June, 1913; none until 1918, when 7 per cent was paid on account of arrears. In 1919, 10 per cent on arrears. As at June 30, 1931, prepaid dividends were 15½ years in arrears.

Common—None paid.

Officers and Directors—

Officers — R. Home Smith, chm. of board; W. C. Franz, pres.; J. D. Jones, vice-pres. and gen. mgr.; J. W. Gemmell, vice-pres. in charge of finance; E. W. Shell, treas.; E. Carey, compt.; J. M. Dever, sec.

Directors—W. C. Franz, J. D. Jones, J. W. Gemmell, E. B. Barber, Sault Ste. Marie, Ont.; R. Home Smith, G. F. Perry, Toronto; E. C. Miller, H. C. Coleman, R. Cheston, Jr., Philadelphia, Pa.; F. B. Common, K.C., Sir W. E. Stavert, L. E. Schlemm, J. C. Newman, J. D. Gray, Montreal, P.Q.

Year End. June 30:	1931	1930	1929
Times Bond Int. Earned*	...	1.72	2.12
Earn. per Share (pfd.)	...	$7.52	$11.88

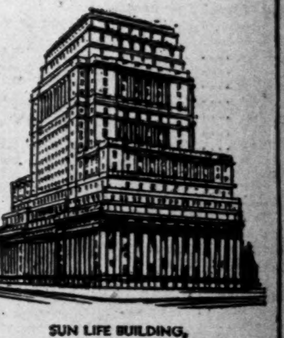
*After other interest.

PRICE BROS. BUILDING, QUEBEC

ROYAL YORK HOTEL, TORONTO

CANADIAN NATIONAL HOTEL, VANCOUVER

CANADA LIFE BUILDING, TORONTO



SUN LIFE BUILDING, MONTREAL

Built with STEEL

Permanence—Economy—Adaptability Speed of Construction. These are the qualities which Structural Steel provides and the reasons why it was used for the construction of this group of Canadian buildings erected by us. These same qualities, found only in Structural Steel, make it the logical choice for every building and construction job.

Dominion Bridge Company maintains complete engineering and plant facilities, erection equipment and experienced field forces for the erection of all types of steel structures, and for handling practically every need of industry for heavy steel.

DOMINION BRIDGE COMPANY LIMITED

MONTREAL

AMHERST-OTTAWA

TORONTO-WINNIPEG

CALGARY-VANCOUVER

NEWFOUNDLAND'S IRON ORE RESOURCES

NEWFOUNDLAND is singularly fortunate in possessing virtually inexhaustible iron ore reserves in the Wabana deposits of Bell Island, as well as substantial proven bituminous coal areas at St. George's. The strategic position of these great resources is of far reaching importance to their future development. This iron and coal is nearer in shipping distance to the markets of Europe than either United States or Canada and yet is closely adjacent to the industrial areas of both Eastern United States and Canada, which import annually great quantities of ore from Newfoundland. A further advantage is the location of both iron mines and coal fields at tidewater, allowing cheapest possible transportation costs to all importing countries. On the basis of these facts the future should see the growth of a great smelting industry in Newfoundland.

For Further Information Apply to: Government Offices, St. John's, Nfld.

The Wabana iron deposit on Bell Island, Conception Bay, is the largest known individual deposit of high grade iron ore in the world. Reserves are conservatively estimated at three (3) billion tons. Annual production in recent years has considerably exceeded a million tons, which has been loaded direct to steamers and shipped, in greater part, to Germany, Great Britain, United States, and to the steel furnaces of Cape Breton.

CANADIAN CAR

Strong Cash Resources Put Company in Favorable Position

Though operations in the fiscal year of 1931 were on a smaller basis than in 1930, Canadian Car and Foundry Co. continued to report an exceptionally strong balance sheet position, with net liquid assets running into several milions of dollars.

Prospects for orders for rolling stock from the railway companies this year do not appear to be too promising. Some work may be undertaken, but it is doubtful if sufficient business will be handled to enable the company to report the earning of dividends on its preferred and common stocks.

The strong cash position of the company, however, leads to the belief that the preferred dividend will be paid for some time to come, though it may be found desirable to further cut the dividend on the common stock if no new business is secured.

Capitalization—	Authorized	Outstanding
Preferred	$7,500,000	$7,500,000
Par $25.		
Common	400,000 shs.	365,800 shs.
No par value.		

Dividend Record—
Preferred (new)—$1.75 per annum, cumulative, participating, payable Jan., April, July and Oct. 10. Initial dividend of 44 cents paid Jan. 10, 1930. Paid regularly since.
Common (new)—$1 per annum, payable quarterly Feb. 28, and May, Aug. and Nov. 30. Rate reduced from $1.75 per annum with dividend of 25 cents payable Feb. 29, 1932. Initial dividend of 44 cents was paid Nov. 30, 1929.

Officers and Directors—
Officers—W. W. Butler, pres.; W. F. Angus, vice-pres.; W. S. Atwood, vice-pres.; A. D. Neale, vice-pres.; L. A. Peto, vice-pres. and compt.; J. B. Brodie, treas.; A. C. Bourne, sec.
Directors—W. W. Butler, Sen. C. P. Beaubien, K.C., F. H. Clergue, W. F. Angus, H. W. Beauclerk, V. M. Drury, Sen. Lorne C. Webster, Mark Workman, all of Montreal; Hon. E. C. Smith, St. Albans, Vt.

Ten Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1922	209,266	....	2,646,574
1923	2,430,188	525,000	3,567,147
1924	1,928,312	787,500	3,903,869
1925	256,888	918,750	2,655,349
1926	714,825	525,000	2,190,209
1927	1,332,887	525,000	2,283,665
1928	1,215,995	525,000	2,296,992
1929	3,922,114	772,100	5,030,796
1930	3,104,867	1,165,150	6,458,765
1931	†896,786	1,165,150	6,055,048

†After transferring $250,000 from inventory reserve, not now required.

Earn. per Share and Dividend Record:
Yr. End. Sept. 30.

	1931	1930	1929
Pref. (old)†			
Earned ..	...	...	$18.06
Paid	...	...	7.00
Pref. (new)†			
Earned ..	$2.54	$3.89	$4.51
Paid	1.75	1.75	...
Ordinary (old)†			
Earned .	...	...	$18.06
Paid	...	...	3.50
Ordinary (new)†			
Earned .	$0.65	$3.89	4.51
Paid	1.75	1.75	...

†Based on net profits after provision for taxes, etc.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	19	4¾	32	15½	37½	16
Pref.	25½	14⅝	33	21½	39½	20

CANADIAN STEEL FOUNDRIES
(Wholly owned by Can. Car & Foundry Co.)

Capitalization—	Authorized	Outstanding
Preferred	$2,000,000	$1,400,000
Common	3,000,000	3,000,000
Par $100.		

(All owned by Can. Car & Foundry Co.)

Funded Debt—
None.

Officers and Directors—
Officers—W. W. Butler, pres.; W. F. Angus, vice-pres.; W. S. Atwood, vice-pres.; A. D. Neale, vice-pres.; L. A. Peto, vice-pres. and comptroller; A. C. Bourne, sec.; J. B. Brodie, treas.
Directors—Hon. C. P. Beaubien, Hon. L. C. Webster, W. W. Butler, H. W. Beauclerk, W. F. Angus and V. M. Drury, of Montreal.

BRANDRAM-HENDERSON

Lower Sales and Prices Affect Operating Income

Declining sales and price cutting in the paint industry have affected recent operations of Brandram-Henderson Ltd. and in October, 1931, it was announced that payments on the common stock would be deferred. The company is one of the larger paint manufacturers in Canada.

Plants are located at Montreal, Halifax and Toronto, while through subsidiaries it operates a linseed oil plant at Medicine Hat and a white lead plant at Vancouver.

Capitalization—	Authorized	Outstanding
Pref. 7% cum.	$500,000	$500,000
Common	1,250,000	1,179,000
Par $100.		

Funded Debt—
1st mtge. 6% bonds, due 1936, outstanding $181,100.
Consolidated mtge. 6% bonds, due 1939, outstanding $845,000.

Dividend Record—
Common — 2% per annum, payable Feb., May, Aug. and Nov. 1. Last paid 50c Aug. 1, 1931.
Preferred—7% per annum, cumulative, payable quarterly, Jan., April, July and Oct. 1.

Officers and Directors—
Officers—George Henderson, pres. and gen. mgr.; D. G. Currie, sec. and treas.
Directors — George Henderson, Montreal; I. C. Stewart, Hector McInnes, K.C., Peter R. Jack, H. B. Stairs, K.C., Hon. W. A. Black, M.P., G. MacGregor Mitchell, Halifax, N.S.; V. M. Drury, G. H. Montgomery, K.C., Montreal; Col. Thomas Cantley, M.P., New Glasgow, N.S.; H. H. Champ, Hamilton, Ont.

Times Bond Interest Earnde:
Year Ended Dec. 31.

	1930	1929	1928
Before depreciation	$1.06	$3.84	$3.34
After depreciation .	0.82	3.37	3.11

Earnings per Share and Dividend Record:

	1930	1929	1928
Pref.: Earned	...	$26.40	$24.79
Paid	$7.00	7.00	7.00
Com.: Earned	...	8.22	7.54
Paid	2.00	* .50	...

*Declared payable Feb. 1, 1930.

Clarke, Howe, Waters & Knight

An assignment was made in September, 1931, by Clark, Howe, Waters and Knight Bros. G. T. Clarkson was appointed custodian.

The company, formed in 1929, was engaged in the production of lumber, and in the manufacture of hard wood, interior trim, and flooring.

Mills are located at Burks Falls and at Canoe Lake, Ontario.

Capitalization—	Authorized	Outstanding
Pref. cum.	$500,000	$300,800
Par $100.		
Common	50,000 shs.	19,350 shs.
n.p.v.		

7,520 common shares reserved for the conversion of preferred shares.

Dividend Record—
Preferred—None at present. Entitled to 7 per cent per annum, payable quarterly, March, June, Sept. and Dec. 1. Dividends were paid regularly up to and including Sept. 1, 1930. The dividend due Dec. 1, 1930, was passed and none have been paid since.
Common—None paid.

Officers and Directors—
Officers — A. E. Clark, pres.; J. P. Waters, vice-pres.; G. D. Martin, sec.-treas. and gen. mgr.
Directors—A. E. Clark, G. D. Martin; A. E. Dawson, N. S. Robertson, Toronto; J. P. Waters, Burk's Falls, Ont.; Rene Germain, L. J. Lacoste, Montreal.

CANADIAN BRONZE

Lessened Railway Activity Limits Sale of Products

Activities of Canadian Bronze Co. have been affected by the decline in railroad activity. The company supplies the railways in Canada with their major portion of their replacement needs in bearings and bushings; the wide decline in car-loading recorded in 1931 is an indication of the lower demand for products of Canadian Bronze.

Marked economies in operation have been effected but earnings fell off to an extent where dividends on the common stock were reduced by half in December, 1931. The present payment is at an annual rate of $1.25 a share.

Increased activity on the railroads will find reflection in operations of the company, while any strengthening in the metal market should have a favorable bearing on inventories.

Capitalization—	Authorized	Outstanding
Pref. 7% cum.	$1,500,000	$720,000
Par $100.		
Common	100,000 shs.	80,000 shs.
n. p. v.		

Dividend Record—
Preferred — 7% per annum, payable quarterly, Feb., May, Aug. and Nov. 1. Paid regularly.
Common—$1.25 per share per annum, payable quarterly same as preferred. Reduced from $2.50 to $1.25 with dividend of 31¼c. payable Feb. 1, 1932.

Officers and Directors—
Officers — P. R. Diamond, chm. of board; W. L. Bayer, pres. and man. dir.; R. J. King, treas.; W. S. Caie, sec.; W. C. Paquette, asst. sec.
Directors—P. R. Diamond, Sir C. B. Gordon, G.B.E., Sir H. S. Holt, Ross H. McMaster, R. O. Johnson, E. R. Decary, W. L. Bayer, H. C. Flood, Montreal, P.Q.; A. E. Dyment, Toronto.

Earnings per Share and Dividend Record:
Year Ended Dec. 31:

	1930	1929	1928
Pref.: Earned	$42.89	$55.86	$50.76
Paid	7.00	7.00	7.00
Com.: Earned* ..	2.87	4.60	4.72
Paid, Old	...	...	2.00
New	2.50	2.50	1.00

*After preferred sinking fund requirements.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Common	36½	19	57	31½	94	39
Preferred	110	102	111	108	111	109

Cooksville Co.

Lessened demand for brick, hollow tile, and concrete blocks, is reflected in depreciated earning power of the Cooksville Co., though the diversification of production has been a factor in counterbalancing sales.

The company carries on operations through its own plant and that of the Inter-Provincial Brick Co. and the Port Credit Brick Ltd.

Capitalization—	Authorized	Outstanding
Preferred	$400,000	$400,000
Par $100.		
Common	1,600,000 sh.	1,600,000 sh.
Par $100.		

Funded Debt—
First mortgage 6 per cent bonds, 1949. All issued as collateral against loan from Bank of Montreal and directors of company. Outstanding $1,000,000.

Dividend Record—
Preferred—7 per cent per annum, cumulative from Sept. 1, 1920, payable quarterly, Mar., June, Sept. and Dec. 15. Initial quarterly dividend of $1 paid Dec. 15, 1926, and regularly at same rate thereafter.
Common—None paid.

Officers and Directors—
Officers — C. G. Greenshields, K.C., pres.; Col. E. M. Renouf, vice-pres.; Wm. Taylor, sec.-treas.
Directors—C. G. Greenshields, K.C., Col. E. M. Renouf, J. N. Greenshields, K.C., D. Milton, L. Hersey, H. W. Beauclerk, Montreal.

Earn. per Share and Dividend Record:
Yr. Ended Dec. 31.

	1930	1929	1928
Pref.: Earn.†	$21.74	$48.33	$51.27
Paid	4.00	4.00	4.00
Com.: Earn.†	3.69	10.33	11.07

†Before providing for arrears in preferred dividends but in the case of common earnings, after deducting 7 per cent dividends on preferred stock in each year.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	..	..	35	30	45	20½
Pref.	..	..	85	85	86	63

INTERPROVINCIAL BRICK
(Controlled by the Cooksville Co.)

Capitalization—	Authorized	Outstanding
Class "A" Pref.	$1,000,000	$147,900
Class "B" Pref.		$300,000
Par $100.		
Common, n.p.v.† ..	10,000 sh.	10,000 shs.

†Majority held by the Cooksville Co.

Dividend Record—
Dividends were paid 2 per cent quarterly from 1925 up to Jan., 1928, on Class "A," and up to Jan., 1926, on Class "B." Nothing since.

Officers and Directors—
Officers—C. G. Greenshields, K.C., pres.; Col. E. M. Renouf, vice-pres.; W. Taylor, sec.-treas.
Directors — C. G. Greenshields, K.C., Col. E. M. Renouf, J. N. Greenshields, K.C., Dr. Milton L. Hersey, H. W. Beauclerk, all of Montreal, P.Q.

AUTO TRADE FINDS DEMAND IS IMPROVING

(Continued from page 16)

trucks (which classification includes buses and taxicabs as well as chassis), fell off from 27,506 to 17,120, or 36 per cent. In total physical volume, operations of the industry during 1931 at 80,189 units are therefore indicated as having been at about 54 per cent of 154,192 units made in the previous year, and at less than 30 per cent of 1929 operations.

Dollar value of sales for the industry are not yet available for the year just closed but figures of automobile financing give a reasonably accurate picture of the trend for comparative purposes, and these are conveyod in the following table:

Financing of New Autos
(000 omitted)

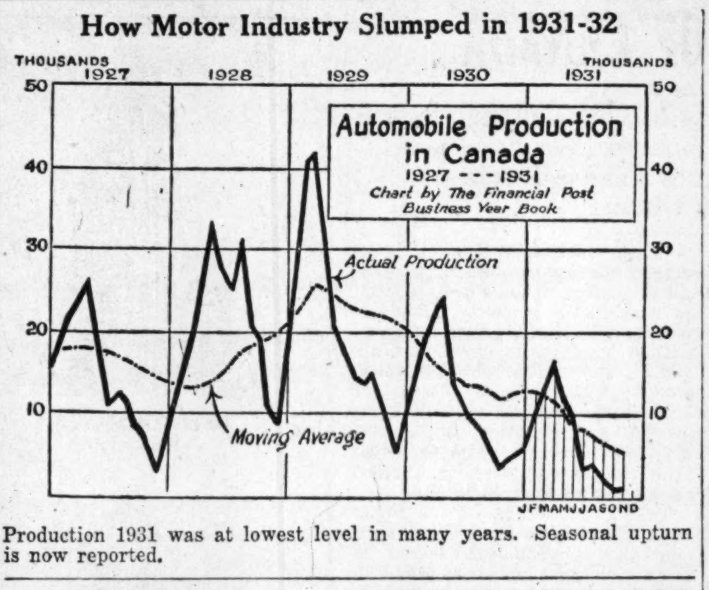
	1929 $	1930 $	1931 $	Change 1931-30 %
Jan.	1,365	1,113	909	—18
Feb.	1,644	1,514	921	—39
Mar.	3,858	2,739	1,890	—31
Apr.	6,399	4,225	3,376	—20
May	6,643	5,018	3,440	—31
June	7,213	4,625	2,445	—47
July	5,399	2,903	2,102	—28
Aug.	3,947	2,004	1,418	—29
Sept.	4,015	1,755	1,239	—29
Oct.	3,870	1,289	1,323	+ 3
Nov.	2,378	817	....	....
Total	46,731	27,997	*19,063	*—30

*11 months only.

Outlook Improves

The outlook for the present year's business is for some improvement, due largely to the fact that replacement buying has already been postponed far beyond the average term, while most dealers are carrying considerably reduced inventories, probably lower than for many years. These factors, combined with the greater attractions being offered by manufacturers in the way of mechanical advancements even on the lowest priced cars, and the possibilities for expansion of the Empire export market, would seem to augur better for the production end of the business during 1931.

How Motor Industry Slumped in 1931-32



Production 1931 was at lowest level in many years. Seasonal upturn is now reported.

DOMINION TAR

Complete New Phenol Plant at Toronto Last Year

A feature of Dominion Tar and Chemical Co.'s operations last year was the completion of a new Phenol manufacturing plant in Toronto. Operation of this unit will mark the first commercial production of Phenol in Canada and a substantial portion of output has been contracted for, while little difficulty is anticipated in marketing the balance.

Creosoting activities of Dominion Tar has been affected by the curtailment in railway construction. In the past the company has supplied the railways with a large portion of their creosoted ties and though a certain amount of maintenance work is going forward, restriction of branch line programmes has found reflection in activities of Dominion Tar.

Dominion-wide Chain

The company has plants located at Strategic points from the Atlantic to the Pacific Ocean and since its formation has been engaged in improving its operating facilities and welding together more closely its constituent organizations. New divisions have been anaugurated to utilize various chemical by-products of tar, a policy which has met with satisfactory results.

Capitalization—	Authorized	Outstanding
Preferred	$7,500,000	$5,035,000
Par $100.		
Common	*300,000 sh.	272,000 sh.
No par value.		

*27,500 common shares including 684 shares held by trustee, are reserved for the exercising of the purchase rights attached to the debentures. In addition 684 shares are held by trustees for debenture holders.

Funded Debt—
Sinking fund gold debs. 6 per cent series "A," due 1949, outstanding $4,000,000; series "B," 6 per cent, due 1949, outstanding $1,500,000.

Dividend Record—
Preferred—6½ per cent per annum, payable quarterly on Feb., May, Aug. and Nov. 1. Initial payment of $1.62½ paid on May 1, 1929. Paid regularly since.
Common—None paid.

Officers and Directors—
Officers—Lionel O. P. Walsh, pres.; R. V. Look, vice-pres.; D. S. Thomas, sec.-treas.
Directors—Sir H. S. Holt, R. D. Bell, E. G. Jackson, R. V. Look, L. O. P. Walsh, D. S. Thomas, Montreal; J. H. Gundy, Toronto; A. E. Whitmore, Regina; Andrew Holt, London, Eng.

Times Debenture Interest Earned:

Year End. Dec. 31:	1930	1929
Before depreciation	5.87	‡6.47
After depreciation	4.13	‡4.87

‡Based on full year's debenture interest, $240,000.

Earnings per Share and Dividend Record:

Preferred: Earned	$15.72	$18.39
Paid	6.50	6.50
Common: Earned	1.70	2.34
None paid.		

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	14	5	23	9⅞	34	17
Pref.	123	120	97	88⅞	91½	85

NIAGARA WIRE

Decline in Newsprint Industry Affects Activity

The fortunes of the newsprint industry have found reflection in operations of Niagara Wire and Weaving Co., engaged in the manufacture of fine mesh screens, which constitute an essential part of the Froudrinier paper machinery.

Newsprint mills have been working at a low rate of capacity and the demand for products of Niagara Wire has fallen off. That earnings have been affected was indicated in a reduction in dividend payments on the common stock from $1.50 to $1 on an annual basis.

Capitalization—	Authorized	Outstanding
Preferred	22,000 shs.	22,000 shs.
Common	†62,000 shs.	40,000 shs.
(n.p.v)		

†22,000 shares received for conversion of preferred shares.

Funded Debt—
None.

Dividend Record—
Preference — $3 per annum, cumulative from Apr. 1, 1929, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid July 2, 1929, and regularly since.
Common—$1 per share per annum, payable quarterly, Jan., Apr., July and Oct. 1. Rate reduced from $1.50 to $1 per annum Jan. 2, 1932.

Officers and Directors—
Officers—Hamilton Lindsay, chm., of board; E. J. Buell, pres. and man. dir.; W. K. Hubbs, sec.; J. G. Hallworth, asst. sec.
Directors — Hamilton Lindsay, A. F. Crossman, Cleveland, Ohio; Hon. Henry Cockshutt, Brantford, Ont.; G. M. M. Edwards, Ottawa; E. J. Buell, Niagara Falls, Ont.; F. E. Meredith, K.C., J. Colin Kemp, Montreal.

Earnings per Share and Div. Record:
Years End. March 31

	1931	1930
Preference: Earned ...	$5.86	$7.45
Paid	3.00	3.00
Common: Earned	1.57	2.45
Paid	1.50	1.00

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	13	10	21	17	28	18
Pref.	36	32	45	35	47	35

Central Plan for Port

The busy season for the indoor staffs of the Harbor Commisison of Montreal has begun, the special feature this year being the working out of a central plan for the whole port. It is pointed out that in the past additions have been made piecemeal and as necessity required; that the harbor has now grown to dimensions that call for a co-ordinating plan of the whole extensive works, and the engineering staffs are now taking this problem in hand.

Report on Petroleum Research

The Research Council of Alberta in session in Edmonton recently received reports on some of the main lines of research into production of petroleum products from Alberta natural resources. The work is that carried on by Dr. E. H. Boomer of the department of chemistry at the University of Alberta and includes extraction of gasoline from the McMurray tar sands, oil from Alberta coal and benzine from natural gas.

ANGLIN-NORCROSS

Capital Revamped and Cash Distributed to Common Shareholders

Anglin-Norcross Ltd. has been responsible for the construction of many of the larger buildings in the Dominion. Though the slump in building has affected the company, it continues to maintain operations on a fairly satisfactory basis.

Toward the end of last year the directors announced a change in the capital set-up, whereby all of the preferred stock was retired and a distribution of cash surplus was effected among the common shareholders, who also received stock in the new company.

Capitalization—	Authorized	Outstanding
Preferred 7%	$1,000,000	$312,000
Par $100.		
Common	10,000 shs.	6,560 shs.
N.p.v.		

Dividend Record—
Preferred—7 per cent per annum, payable semi-annually, Mar. and Sept. 15.
Common—$2 per share per annum, payable Mar. and Sept. 15. An initial dividend of $1 was paid Sept. 16, 1929.

Officers and Directors—
J. P. Anglin, pres.; H. J. Gross, vice-pres. and treas.; C. D. Harrington, vice-pres. and mgr.; G. A. Lowles, sec.; L. L. Evans, pur. agent; W. S. Leslie, A. O. Dawson, A. H. Vipond, Westmount; G. W. Birks, Montreal.

Earnings per Share and Dividend Record:

Year End. Feb. 28:	1931 $	1930 $
Preferred:		
Earned	72.24	73.89
Paid	7.00	7.00
Common:		
Earned	31.03	31.81
Paid	2.00	2.00

KELVINATOR

Has Developed Good Business During Period of Depression

Kelvinator of Canada manufactures Kelvinator and Niser electric refrigeration units at its plant at London, Ont., for Canadian consumption and export throughout the British Empire. The company holds exclusive rights on manufacture in Canada under the Kelvinator and Niser patents owned by the parent company. Kelvinator units are used for domestic and commercial refrigeration and Niser units are used by the ice cream trade.

The company is also selling Bosch and Stromberg Carlson radios. It is controlled by Kelvinator Corp of Detroit and it has a subsidiary, Kelvinator, Ltd., London, England, which has been distributing its products in the British Isles. The company has been showing a considerable degree of success in its operations during the last two years of depression.

Capitalization—	Authorized	Outstanding
Preferred	$800,000	$663,000
Par $100.		
Common	100,000 sh.	100,000 sh.
No par value.		

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum cumulative, guaranteed, payable quarterly, Feb., May, Aug. and Nov. 15.
Dividends at the rate of 7 per cent per annum have been paid regularly since initial payment May 15, 1926. Payments thereafter including quarterly payment of Aug. 15, 1927, were paid by the parent company Kelvinator Corp., Detroit, under its guarantee. Company paid its own dividend for the fiscal year Nov. 15, 1930 to Aug. 15, 1931, Dividend due Nov. 15, 1931, paid by parent company.
Common—None paid.

Officers and Directors—
Officers—George W. Mason, pres.; H. A. Lewis, vice-pres. and treas.; F. S. McNeal, gen. mgr.; Merlin Wiley, sec.; Detroit, Mich.; G. V. Egan, asst. sec.; Howard Gray, asst. treas.
Directors—A. E. Ames, chm. of board; C. B. McNaught, Toronto, Ont.; A. T. Little, F. S. McNeal, London, Ont.; D. O. Bull, Brampton, Ont.; A. H. Goss, H. A. Lewis, G. W. Mason, Merlin Wiley, Detroit.

Earnings per Share—Year End. Sept. 30—

	1931	1930
Common: Earned	$0.86	$0.34

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	5¼	2½	11	2	12¾	5
Pref.	90½	73½	90	73	85	70

NAT. SEWER PIPE

Presents Satisfactory Statement for Past Year

National Sewer Pipe Co. manufactures vitrified clay products, including sewer pipe, tiles and electrical and telephone conduits. Sales dropped off during 1931 but a strong liquid position was maintained. Improved production methods and manufacture and sale of additional products are the company's chief hope for maintained earnings for 1932.

Capitalization—	Authorized	Outstanding
Class "A" cum. ..	100,000 shs.	28,937 shs.
Common		53,193 shs.

Dividend Record—
Class "A"—$2.40 per annum, cumulative, payable Mar., June, Sept. and Dec. 15. Paid regularly since June, 1929.
Common—Present rate $2 per annum, payable Mar., June, Sept. and Dec. 15. Initial dividend of $2 for fiscal year 1929 paid Dec., 1929; quarterly dividend paid regularly since.

Officers and Directors—
Officers—Hon. H. Cockshutt, LL.D., chm. of board; R. H. New, pres. and gen. mgr.; J. R. L. Starr, K.C., vice-pres. and gen. counsel; C. H. Wallace, gen. sales mgr.; H. F. Dingledine, cer. eng., prod. mgr.; N. Lown, sec.
Directors—Hon. H. Cockshutt, LL.D., Brantford, Ont.; R. H. New, J. R. L. Starr, K.C., C. H. Wallace, H. F. Dingledine, cer. eng., F. J. Coombs, H. A. Hall, Toronto.

Earnings per Share and Dividend Record:

Yr. End. Oct. 31:	1931	1930	1929
Class "A": Earned	$6.19	$7.23	$7.36
Paid	2.40	2.40	1.20
Common: Earned .	2.04	2.71	4.62
Paid	2.00	1.50	†2.00

†Declared and paid after the close of the 1929 fiscal year, but covering operations to Oct. 31, 1929. Deduction included in the 1930 income and surplus account.

W. D. BEATH & SON

Total Output Lower for 1931 —Operating Economies Made

W. D. Beath & Sons, manufacturers of steel containers of various kinds, grain and dump truck bodies, steel barrels, drums, conveyors, tanks, pumps and service station equipment, decided in June to defer payment of dividends on class "A" shares until the results from 1931 operations were more clearly defined.

While the total output is believed to have fallen in line with general business conditions, the company is understood to have reduced operating expenses considerably and to have eliminated capital expenditures. This policy will be followed until business revives.

Capitalization—	Authorized	Outstanding
Class "A"	150,000 shs.	100,000 shs.
Class "B"	75,000 shs.	50,000 shs.
No par value.		

Dividend Record—
Class "A"—None at present. Entitled to $1.60 per share per annum, cumulative, payable Jan. 1 and July 1.
Interest in lieu of dividend for period Jan. 1, 1929, to March 31, 1929, paid July 1, 1929.
Initial dividend of 40c. per share paid July 1, 1929. Dividend of 80c. paid Jan 2, 1930, and July 1, 1930. Reduced to 20c. Jan. 1, 1931; dividend due July 1, 1931, passed.
Class "B"—None paid to date.

Officers and Directors—
Officers—L. B. Beath, pres. & chm. of board; T. H. Beath, vice-pres.; O. A. Lefrancois, sec.-treas.
Directors—L. B. Beath, T. H. Beath, O. A. Lefrancois, T. T. Ritchie, Toronto; J. Playfair, Midland, Ont.; Noah A. Timmins, A. K. Cameron, Montreal.

Earnings per Share and Div. Record:
Years End. Dec. 31:

	1930	1929
Class "A": Earned† ..	$0.61	$2.79
Earned*	0.61	§2.06
Paid	1.00	‡1.20
Class "B": Earned† ..	nil	§2.38
Earned*	nil	§1.46
Paid	nil	nil

† Before taking participating feature into consideration.

* After taking participating feature into consideration.

‡ In addition interest in lieu of dividends was paid on class "A" shares for these months from Jan. 1, 1929, to Mar. 31, 1929.

§ Calculated after allowing for a full year's dividend of $1.60 per share on 100,000 shares of class "A."

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Class "A"	12	6	22½	14	27½	20

STANDARD PAVING

Carefully Conserving Resources—Business Fair for Depression Year

Standard Paving & Materials, which operates through its subsidiary companies as street and highway paving contractors and suppliers of sand and gravel for all types of buildings and construction work throughout Ontario, Quebec and New York state, deferred its common dividend in July until such time as the directors would be able to estimate the season's earnings more definitely.

The fiscal year ends on March 31 and the directors will meet shortly to consider the question of dividends. While beforehand their action cannot be predicted, it is understood that the company has maintained its liquid position. During 1931 the resources have been carefully conserved and sufficient economies put into operation to put the company in an advantageous condition to accept any new business offered. In view of the general character of the year, the experience of the company is not considered unsatisfactory.

Capitalization—	Authorized	Outstanding
Preferred	$1,500,000	$1,427,500
Par $100.		
Common	200,000 shs.	104,872 shs.
No par value.		

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Feb., May, Aug. and Nov. 15. Initial dividend of 1¾ per cent paid May 15, 1929, and quarterly since.
Common—Deferred Aug. 15, 1931, and since.

Officers and Directors—
Officers—John E. Russell, pres.; John Gleeson, vice-pres. and chm. of board; J. F. M. Stewart, vice-pres.; N. C. Shipman, sec.-treas., Ottawa.
Directors—John Gleason, Gordon C. Edwards, M.P.; John Foley, Ottawa; John E. Russell, J. F. M. Stewart, G. G. Robinson, W. B. Milner, E. T. Davis, H. B. Smith, E. W. Wright, K.C., J. J. Jennings, K.C., Toronto; J. F. Driscoll, Buffalo, N.Y.

Earnings per Share and Div. Record:
Year end. Mar. 31

	1931	1930
Pref.: Earned	$21.96	$32.89
Paid	7.00	7.00
Com.: Earned	2.03	3.53
Paid	2.00	2.00

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	16⅛	2¼	26½	13¼	39	21
Pref.	80	55	95	78	100	85

CONSOLIDATED SAND AND GRAVEL
(Controlled by Standard Paving & Materials)

Capitalization—	Authorized	Outstanding
Preferred	$1,200,000	$1,082,200
Par $100.		
Com., n.p.v. ..	*100,000 shs.	70,000 shs.

* Balanee reserved for conversion of preference stock.

All the outstanding common stock is held by the parent company.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Feb., May, Aug. and Nov. 15. Initial dividend paid Aug. 15, 1928.

Officers and Directors—
Officers—John E. Russell, pres.; G. G. Robinson, gen. mgr.; F. W. Thompson, asst. gen. mgr.; A. M. Harnwell, sec.
Directors—J. F. M. Stewart, John E. Russell, G. G. Robinson, F. W. Thompson, W. I. Newmarch, E. T. Davis, Toronto; J. Gleeson, Ottawa.

Market Record —

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Pref.	80	50	87	80	99	80

STARR MFG. CO.

Operating Under Receiver Company Earned $14,495 for Bond Interest

The Starr Mfg. Co. of Dartmouth, N.S., reported operations for the first nine months of 1931 as resulting in $14,495 being available for bond interest.

The company is operating under a receiver at present and the profits shown were somewhat increased, it is understood, by sale of skates in the peak months of October, November and December.

Business in bolts, nuts and various specialties has been somewhat lower than expected.

Capitalization—	Authorized	Outstanding
Common	6,500 shs.	6,470 shs.
n.p.v.		

Funded Debt—
1st mortgage 6% bonds, due 1948, outstanding, $300,000.
General mortgage 6½% bonds, due 1943, outstanding $125,000.

Officers and Directors—
Officers—Lieut.-Col. R. B. Simmonds, pres.; Thomas Notting, K.C., vice-pres.; W. L. Davies, gen. mgr. and sec.; J. K. Urquhart, supt.
Directors—Lieut.-Col. R. B. Simmonds, Thomas Notting, K.C., J. G. Farquhar, C. J. Burchell, K.C., H. Goudge, A. F. Mackintosh, all of Dartmouth, N.S., and H. R. Bain, Toronto.

November Pig Iron Went up 24 P. C.

Production of pig iron output in Canada during November at 14,292 long tons showed an increase of almost 24 per cent over the 11,562 tons of October. This was due to an output of 6,537 tons of foundry iron as against none at all in October. Basic iron output dropped from 11,562 long tons in October to 7,755 tons in November.

Cumulative production of pig iron for 11 months of 1931 to November 30 was 406,176 tons as against 709,155 tons in 11 months of 1930. The output of 1931 included 306,157 tons of basic iron, 72,723 tons of foundry iron and 27,296 tons of malleable iron. Production of ferro alloys in Canada in November was 1,911 tons and in October 1,812 tons. Most of the November output consisted of ferro-manganese and the remainder of ferrosilicon.

DUFFERIN PAVING

Strong Position in Industry—Municipal Road Programs May be Lower

Although Dufferin Paving & Crushed Stone has been able to pay and earn dividends on its first and second deferred stocks since its incorporation in 1929 under the present name, the position is somewhat clouded for the moment by the necessity facing all municipalities to economize and to reduce road building programmes. On the other hand most projects designed to aid employment include roads.

The company, however, does a general contracting crushed stone business as well as paving. Its last statement showed a strong position in the industry.

Capitalization—	Authorized	Outstanding
1st. Pref. cum. ..	$2,000,000	$1,858,600
2nd Pref., non-cum.	1,250,000	1,250,000
Par $100.		
Com., n.p.v.* ..	170,000 shs.	60,000 shs.

*105,758 shares held for conversion of 1st and 2nd preferred stocks.

Dividend Record—
First Preference—7 per cent per annum, payable quarterly, Jan., April, July and Oct. 1. Cumulative from March 1, 1929. Initial dividend of $2.33 for 4 months' period paid July 1, 1929. Paid regularly since.
Second Preference—6 per cent per annum, non-cumulative, payable on same dates as first pref. or at discretion of directors. Initial dividend of 5 per cent for 10 months' period from March 1, 1929, paid Jan. 2, 1930 and regularly since.
Common—None paid.

Officers and Directors—
Officers—J. Franceschini, pres. and man. dir.; L. Franceschini, vice-pres.; H. H. Salmon, sec.-treas.
Directors—J. Franceschini, L. Franceschini, H. H. Salmon, J. H. Ratcliffe, R. M. Scrivener, W. Inglis, Toronto; C. Johnston, Oakville, Ont.; L. B. Spencer, K.C., Welland, Ont.

Earn. per Share and Div. Record:
Year End. Dec. 31.

	1930	1929
1st Pref.: Earned ..	$12.38	$20.08
Paid	7.00	5.83
2nd Pref.: Earned ..	7.71	*20.24
Paid	6.00	5.00
Common: Earned ...	0.36	†2.97
None paid.		

*After allowing for full year's dividends on 1st preference.

†After allowing for full year's dividends on both classes of preference.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	7½	3	25	8	34	15
Pref.	80	68	99	70	112	88

EASTERN STEEL

Maintains Strong Liquid Position — Retires More Preferred Stock

Eastern Steel Products, manufactures of fire proof building materials and ready made buildings, is reported to have earned $10,000 in the year ending Nov. 30, 1931, after allowing for depreciation, income taxes, and all other changes including preferred dividends of $30,200. During the year 500 shares of the outstanding 7 per cent cumulative preferred stock were retired.

The common stock dividend is still being maintained on the basis of $1 a share but the bonus of $1 a share which was declared in the previous year has been omitted this year.

Capitalization—	Authorized	Outstanding
Prior pref.	$750,000	$402,100
Par $100.		
Com., n.p.v. ..	100,000 shs.	58,000 shs

Dividend Record—
Preferred—7 per cent cumulative, payable Jan., April, July and Oct. 1. Paid regularly since issue.
Common—Dividends of $1 per share for 1928 fiscal year and $1 per share for 1929 fiscal year were paid Jan. 15, 1930. An interim dividend of 50 cents per share was paid July 1, 1930, and a similar amount paid as a dividend, plus a bonus of $1 per share, on Jan. 2, 1931.

Officers and Directors—
Officers — J. Playfair, pres.; A. K. Cameron, vice-pres. and gen. mgr.; E. G. McMillan, sec.
Directors—A. K. Cameron, F. M. Ross, Montreal; J. Playfair, D. L. White, Midland, Ont.; H. A. Greene, L. B. Beath, E. G. McMillan, Toronto.

Earnings per Share and Div. Record:
Years end. Nov. 30:

	1930	1929	1928
Pr. pref.: Earn.	$40.06	$62.25	$49.98
Paid	7.00	7.00	7.00
Com.: Earn.	§2.54	4.71	3.85
Paid	*0.50	‡..	‡..

* In addition, a 50 cent dividend and a bonus of $1.00 per share were declared payable Jan. 2, 1931, out of the 1930 accumulated surplus.

‡ Out of the 1929 accumulated surplus, $1.00 dividend for the 1928 fiscal year and $1.00 dividend for the 1929 fiscal year were declared payable Dec. 31, 1929.

§ Based on net profit less preferred dividends but before reserve against loans outstanding. After deduction of $35,000 reserve against loans outstanding, earnings per share would equal $1.94.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	20	16	35	26	53	32
Pref.	100	97	100	97	101	98

DODGE MFG. CO.

Demand Reduced But Replacement Business Continues

Manufacturers of power transmission machinery, elevating and conveying equipment and materials handling equipment, Dodge Manufacturing Co., experienced a decreased demand during 1931 but a fair amount of replacement business was secured.

Dividends on the class A cumulative preferred stock were passed due to lower earnings, but it is understood that liquid position has been well maintained during the year which ends January 31, 1932.

Capitalization—	Authorized	Outstanding
Class "A" pref. ..	30,000 shs.	18,000 shs.
Class "B" com. ..	60,000 shs.	24,000 shs.
N.p.v.		

30,000 common shares have been reserved for conversion of preferred.

Dividend Record—
Preferred—$2 per annum, cumulative, payable Feb., May, Aug. and Nov. 1; initial dividend paid May 1, 1929, and regularly to Feb. 1, 1931; passed May, 1, 1931.
Common—None paid.

Officers and Directors—
Officers—T. A. McAuley, pres. and man. dir.; S. G. Timmis, vice-pres.; A. G. House, sec.; G. W. Masterson, treas.
Directors—T. A. McAuley, S. J. Cragg, Toronto; S. G. Timmis, W. G. Hanson, Montreal; W. Harty, Kingston, Ont.

Earnings per Share and Dividend Record:

Yr: End. Jan. 31:	1931	1930
Class "A": Earned	$1.75	$3.57
Paid	2.00	2.00
Class "B": Earned	....	1.17
None paid.		

FROST STEEL & WIRE

Business Was Affected in 1931 by Agricultural Depression

Frost Steel & Wire Co. manufactures wires and iron fencing and specialized metal products, including playground equipment. The wire and galvanizing mill of the company at Hamilton can manufacture 20,000 tons yearly, equal to 1,000,000 rods of wire fencing.

The depression in agricultural communities has somewhat affected the company's revenue and prospects are therefore linked up to a considerable extent with improvement in the farm position.

Capitalization—	Authorized	Outstanding
1st pref. 7%	$1,000,000	856,000
Class "A" pref.	500,000	500,000
Par $100.		
Common, n.p.v.	30,000 shs.	30,000 shs.

Dividend Record—
First and Class "A" Preferred—7 per cent cumulative, payable Feb., May, Aug. and Nov. 1. Initial dividend paid Aug. 1, 1929 and regularly since. Dividend on Class "A," due Feb. 1, 1932, passed.
Common—None paid.
Officers—Alex. L. Page, pres. and gen. mgr.; D'Arcy Martin, vice-pres.; R. W. Frost, vice-pres.; C. A. Smith, sec.-treas.
Directors—Alex. L. Page, D'Arcy Martin, C. A. Smith, C. A. P. Powis, R. W. Doering, C. C. Morin, R. W. Frost, Hamilton, Ont.; Hon. Richard Harcourt, Welland, Ont.; F. J. Coombs, Toronto.

Earnings per Share and Div. Record:
Years End. Oct. 31:

	1931	1930	*1929
1st pref.: Earn.	$1.22	$19.04	$19.72
Paid	7.00	7.00	3.50
Pref. Class "A":			
Earned †	nil	21.50	25.02
Earned ‡	nil	7.36	7.86
Paid	7.00	7.00	3.50
Com.: Earn.‡	nil	2.36	2.86
None paid.			

*Earnings for 1929 based on net profit, $193,960, on the basis of the present capitalization. Earnings on the Class "A" pref. and common stocks being after deduction of a full year's dividends on the first pref. and Class "A" pref. stocks respectively.

† Before making provision for participating provisions attached to Class "A" preference and common stocks.

‡ After making provisions for participating provisions.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	8	5	15⅝	7	16	14
Pref.	96½	85	98	93¼	98	93

EASY WASHING

Results in 1931 Disappointing—Enters 1932 With Improved Product

Sales in 1931 by Easy Washing Machine Co. were somewhat disappointing in line with the general recession in business. However, a new improved machine has been brought out and the reception to date is so encouraging that it is hoped it will be a factor in securing increasing business during 1932.

Capitalization—	Authorized	Outstanding
Pref., cum.	$600,000	$397,500
Par $100.		
Com., n.p.v. ..	64,000 shs.	38,535 shs.

Dividend Record—
Preferred—7 per cent cum., payable Jan., April, July and Oct. 1. Paid regularly to April 1, 1930; none since. Common, $2 per annum, paid Oct. 1, 1928, to Oct. 1, 1929; none since.
Officers—J. N. Derschug, pres.; Mark Bredin, vice-pres.; C. B. Owens, gen. mgr.; S. C. Stivers, sec.-treas., New York; A. H. McLachlin, asst. sec., Toronto.
Directors—J. N. Derschug, J. C. Nelson, Syracuse, N.Y.; J. R. Croft, J. H Ratcliffe R. C. Berkinshaw, Mark Bredin, J. D. McNabb, D. C. Carlisle, Toronto.

Earnings per Share and Div. Record:
Years end. Dec. 31:

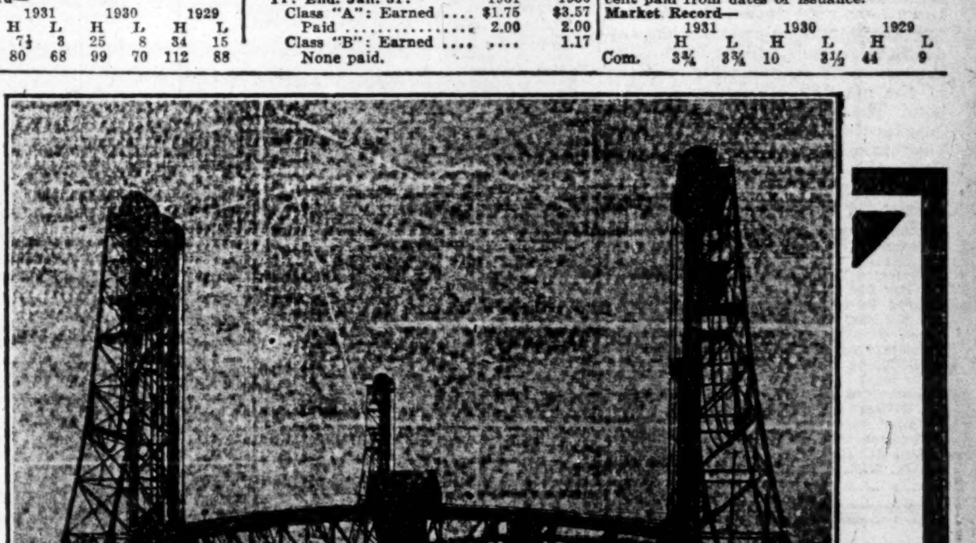
	1930	1929	1928
Pref.: Earn. .	...	$7.40	$31.46
Paid	$1.75	7.00	§
Com.: Earn. .	...	0.41	*2.54
Paid	...	1.50	1.75

* After deduction of full year's preferred dividend.

§ Preferred dividend at the rate of 7 per cent paid from dates of issuance.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	3¾	3¾	10	3½	44	9



Vertical Lift Bridges No.'s 20 and 21 Welland Ship Canal.

HAMILTON BRIDGE COMPANY LIMITED

Engineers, Manufacturers and Erectors

STEEL RAILWAY BRIDGES

STEEL HIGHWAY BRIDGES

STEEL STRUCTURES OF EVERY DESCRIPTION

Head Office: HAMILTON, CANADA

Plants: HAMILTON TORONTO VANCOUVER

BEATTY BROS.

Sales Lower But Cash Conserved by Economies and Dividend Reduction

Though sales of the many products manufactured by Beatty Bros. at their main factories at Fergus, Ont., have been substantially lower than in 1930, operating expenses have been considerably reduced and collections have remained satisfactory.

In order to conserve cash the company reduced its dividend on the "A" stock until conditions improve dropping "B" dividends entirely for a period. Improved products are reported as now being offered by the company.

Capitalization—

	Authorized	Outstanding
1st pref.	$4,000,000	$1,250,000
2nd pref.	700,000	669,600
Par $100.		
Class "A" Com.	100,000 shs.	39,000 shs.
Class "B" Com.	100,000 shs.	100,000 shs.
n. p. v.		

Dividend Record—

First Preferred—6% per annum cumulative, payable quarterly Feb., May, Aug. and Nov. 1. Initial dividend accrued from Feb. 1, 1929; paid May 1, 1929, and regularly since.

Second Preferred — 7% per annum cumulative, payable half yearly at Jan. 1 and July 1. Paid regularly.

Class "A" Common—Present rate $1 per share per annum payable Feb., May, Aug. and Nov. 1. Initial dividend of 50 cents a share paid Aug. 1, 1931. Reduced to 25 cents a share Nov. 1, 1931.

Class "B" common—None paid.

Officers—W. G. Beatty, pres.; M. J. Beatty, sec.; R. D. Kerr, treas.

Directors—W. G. Beatty, M. J. Beatty, W. L. Ham, R. D. Kerr, T. A. Farnell, A. C. Deacon, J. J. Rutherford, D. R. Potter, all of Fergus, Ont., F. J. Coombs, Toronto.

Earnings per Share and Dividend Record:
Year Ended Aug. 31.

	1931	1930	1929
1st pref.: Earned ..	$8.22	$49.78	$58.81
Paid	6.00	6.00	6.00
2nd pref.: Earned.	4.14	82.75	*103.39
Paid	7.00	7.00	7.00
Com. class A & B:			
Earned	nil	3.61	†7.00
Paid: Old com..	1.00	2.00	...
Class "A"	.50	...	...

*Earnings per share on the 2nd pref. stock are calculated after deduction of dividends for a full year on th eshares of 6 per cent 1st pref. stock outstanding as at Aug. 31, 1929.

†Earnings per share on the common stock are calculated after deduction of a full year's dividend on the 1st pref. and the actual dividend paid on the 2nd pref. during 1929.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Common..	*14	10	33	18	59	30
Preferred..	80	60	92	75	102½	94

*Class "A."

CANADA PAVING

Merger of Eleven Companies Makes Voluntary Assignment

Canada Paving & Supply Corp. operates chiefly in Ontario around the Border Cities, but has also done work in Quebec and the Maritimes. The company was formed in 1928 as a result of a merger of 11 companies and operations during the past year and more have not yet realized expectations. Preferred dividends were earned by a slight margin in the year ended January 31, 1931, but payment was passed during 1931.

The company made voluntary assignment on January 18.

Capitalization—

	Authorized	Outstanding
1st Pref. cum.	$2,000,000	$1,943,800
2nd Pref. non-cum.	1,250,000	1,249,400
Par $100.		
Common, n.p.v. ..	*170,000 sh.	60,024 sh.

*Includes 109,514 shares reserved for the conversion of the 1st and 2nd preferred shares.

Dividend Record—

First Preferred—7 per cent per annum, payable March, June, Sept. and Dec. 1. Initial dividend of 1¾ per cent paid March 1, 1929, and regularly to and including June 1, 1931. None since.

Second Preferred—6 per cent per annum, payable as above. None paid to date.

Common—None paid.

Officers—T. Chick, pres.; L. A. Merlo, J. D. Chick and Leo J. Ryan, vice-pres.; H. A. Scarff, C.A., treas.; I. W. Lambert, sec.

Directors—T. Chick, J. H. Ray, Ford, Ont.; Leo J. Ryan, Sandwich, Ont.; D. H. Woollatt, Walkerville, Ont.; I. W. Lambert, J. D. Chick, H. A. Scarff, D. H. Pratt, Midland, Ont.; D. I. McLeod, Toronto; L. A. Merlo, Montreal; Lt.-Col. W. L. McGregor, N. A. McLarty, Windsor, Ont.; W. C. Braithwaite.

Earnings per Share and Dividend Record:

Year End. Jan. 31:	1931	1930
Paid	7.00	7.00
6% Pref.: Earned	0.86	5.42
None paid.		
Common: Earned	Nil	Nil
None paid.		

Market Record:

	1931		1930		1929	
	H	L	H	L	H	L
Com.	6	⅜	20	2	41	16
Pref.	51	10⅛	94	58	135	85

CANADIAN DREDGE

Due to Public Economizing Policies Work Reduced—Long View Good

Canadian Dredge and Dock Company's directors intend after the close of the current fiscal year on Jan. 31 to consider the reduction of the common dividend from $3 to $2 a share. This action is due to economizing policies of private and public corporations, causing reduction in work totals in 1931. In the meantime the dividend is deferred.

The company was able, it is understood, to earn the $2.25 which was paid on each share of common stock and it has substantial contracts on its books for work in 1932. However, economizing policies referred to show every prospect of continuing for some time. As the company is engaged in general dredging work, the construction and improvement of harbors, canals, break waters and channel facilities and other marine work on the Great Lakes, and the St. Lawrence River waterway, it depends for a considerable part of its business on orders given by the Dominion Government.

Canadian Dredge is the leading company in its line. It has a good working capital position and prospects over the long run for the company appear excellent.

Capitalization—

	Authorized	Outstanding
Preferred	*$584,300	$84,300
Par $100.		
Common	*150,000 shs.	92,423 shs.
No par value.		

*Being original authorization of 20,000 shares less 14,157 shares converted and cancelled.

Dividend Record—

Preferred—7 per cent per annum, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend of 1¾ per cent paid May 1, 1928, and regularly since.

Common—$3 per annum payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend of 50 cents and bonus of 25 cents paid Nov. 1, 1928. Regular quarterly dividend of 75 cents paid Feb. 1, 1929, and quarterly to Nov. 2, 1931. Payment due Feb. 1, 1932, to be omitted.

Officers and Directors—

Officers — W. E. Phin, chm. of the board; D. S. Pratt, pres. and man. dir.; F. W. Grant, vice-pres.; T. C. Luke, sec.-treas.

Directors — W. E. Phin, chm. of the board, Hamilton, Ont.; D. S. Pratt, F. W. Grant, Midland, Ont.; W. J. Sheppard, Waubaushene, Ont.; Major-Gen. S. C. Mewburn, K.C., C.M.G., Hamilton, Ont.; M. Ross, Montreal, Que.; D. I. McLeod, J. E. Russell, Toronto; A. R. Dufresne, Perth, Ont.; L. A. Merlo, Windsor, Ont.

Earnings per Share and Div. Record:
Year end. Jan. 31:

	1931	1930	1929
Pref.: Earned	$417.65	$453.91	$215.95
Paid	7.00	7.00	7.00
Com.: Earned	3.74	4.13	6.37
Paid	3.00	3.00	1.50

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	36½	12	43	22	90	33
Pref.	92	92	..	..	260	162

CAN. MACHINERY

Prospects for Machine Tools in 1932 Remains Uncertain

Engaged in the manufacture of wood and iron workings, machine tools and specialties, Canada Machinery Corp. is largely dependent for production on the degree of activity in other industries using its products. The demand during 1930 and 1931 has been low with no volume of replacement. Prospects for 1932 are still uncertain.

Capitalization—

	Authorized	Outstanding
Pref. non-cum.	$ 750,000	$602,450
Common	1,000,000	960,000
Par $100.		

Funded Debt—
1st mtge. 6% bonds due 1940, outstanding $189,500.

Dividend Record—

Preferred—7% non-cumulative. None paid since 1921.

Common—5% paid in 1920. None since.

Officers and Directors—

Officers—T. H. Watson, pres.; G. D. Forbes, vice-pres.; J. G. Gibson, sec.-treas.

Directors—T. H. Watson, R. O. McCulloch, Galt; G. D. Forbes, Hespeler; C. H. Easson, Toronto; G. R. Gray, Sault Ste. Marie, Ont.

Times Bond Interest Earned:
Year Ended Jan. 31:

1931	1930	1929
$1.31	$4.57	$5.08

Earnings per Share and Dividend Record:

	1931	1930	1929
Pref.: Earned	$0.70	$10.72	$12.27
None paid.			
Com.: Earned* ...	...	2.34	3.31
None paid.			

*Based after deduction of full years' preferred dividend requirements.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Common ..	..	..	6	6	9	9
Preferred..	..	..	30	30	34	34

SERVICE STATIONS

Made Drastic Reductions in Expenses—Maintain Financial Strength

Because of the prevailing business conditions and the uncertain outlook in the service station field, Service Stations has passed dividends on classes "A" and "B" shares of the company.

Although the products of the nine subsidiary companies of Service Stations are well diversified, its dependence on the oil industry for the purchase of service station equipment is considerable. In the United States, especially, the over production of crude oil and the consequent demoralization of prices have led to a large decrease in capital expenditures for improved equipment for service stations. To overcome this factor, prices have been dropped to a non-profit basis.

Service Stations directors report that in the first half of the year drastic reductions were made in manufacturing, selling and administrative expenses and as a result operations have been conducted without loss.

The company is featuring, at present, an automatic furnace combined with a new type of radiation which will be marketed in the United States.

The company has no bank loans and its passing of dividends indicated a policy of maintaining its strong current position until the strain of the business recession is lifited.

Capitalization—

	Authorized	Issued
Pref. ($100 par) ..	$3,500,000	$3,261,100
Pref., Series "A" ($100 par)	1,500,000	1,495,000
Com. "A" (n.p.v.)	*300,000 sh.	188,312 sh.
Com. "B" (n.p.v.)	50,000 sh.	50 000 sh.

*83,612 shares reserved for conversion of preferred.

Funded Debt—
None.

Dividend Record—

Preference—6 per cent per annum, cumulative from Nov. 1, 1928, payable Feb., May, August and Nov. 1.

Preference, Series "A"—6 per cent per annum, cumulative from May 1, 1929, payable Feb., May, August and Nov. 1.

Dividend on Classes "A" and "B" passed Oct. 1, 1931, and since.

Officers and Directors—

Officers—A. L. Ellsworth, pres.; H. W. Knight, vice-pres. and treas.; Frank Sutcliffe, vice-pres.; F. J. Mayo, sec.

Directors—A. L. Ellsworth, H. W. Knight, H. R. Tudhope, Toronto; Frank Sutcliffe, V. Mauck, Conshohocken, Pa.

Earnings per Share and Div. Record:

	1930	1929
Pref. & Pref. "A":		
Earned	$22.50	$47.24
Pref. paid	4.50	*6.00
Pref. "A" paid	4.50	*4.50
Class "A": Earn.	‡4.56	6.14
Paid	2.60	2.15
Class "B": Earn.	‡11.15	16.99
Paid	2.60	2.15
"A" & "B" as a class:		
Earned	‡3.60	4.85

* $1.50 paid Feb. 1 following year.

‡ After preferred dividends as shown and $41,342 deducted in 1929 but paid Feb. 1, 1930.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Pref.	90½	45	115	90	175	100
Com., cl. 'A'	36¾	5	54	29	88	35

FORD MOTOR CO.

Expected New Cars Are Awaited With Keen Interest

In line with the general experience of automobile manufacturing companies, Ford Motor Co. of Canada had a considerable reduction in 1931 in the sale of passenger cars, both for domestic and foreign account. As a result the company passed its dividend on the class "A" and class "B" common stock, announcing that the directors "will consider the resumption of dividend payments as soon as conditions warrant."

The company has maintained a very strong liquid position in spite of the adverse operating conditions in 1931. It is currently reported that all the Ford companies will soon be making and selling an eight cylinder car and an improved four cylinder car. The success which has attended Ford plans in the past is keeping the motor world agog until the new cars are out and selling.

Announcement of the motor executives indicates expectation of some improvement of business in 1932.

Capitalization—

	Authorized	Outstanding
Class 'A' n.p.v.	1,900,000 sh.	1,588,960 sh.
Class 'B' n.p.v.	100,000 sh.	70,000 sh.

Funded Debt—
None.

Dividend Record—
Class "A" and "B" dividend passed Dec. 20, 1931, and since. Last paid 60 cents per share June 20, 1931.

Officers and Directors—

Officers—W. R. Campbell, pres. and treas.; Geo. E. Dickert, 1st vice-pres.; P. E. Martin, 2nd vice-pres.; D. B. Greig, sec. and asst. treas.; G. G. Kew, asst. sec.

Directors—Edsel B. Ford, chairman; Henry Ford, P. E. Martin, Detroit; George Dickert, East Windsor, Ont.; W. R. Campbell, Walkerville, Ont.

Earnings per Share and Dividend Record—
Year Ended Dec. 31

	1930	1929
Earned	$1.90	$3.15
Paid	*$1.80+30c.	.....

*$1.20 and bonus of 30c. paid June, 1930; regular 60c. dividend paid Dec., 1930.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Class "A"	29½	10½	38½	18¾	70	15

ENAMEL & HEATING

New Lines Are Expected to Help Sales This Year

Introduction of additional lines is expected to bring about an improvement in sales during 1932 for Enamel and Heating Products Ltd. No details are available at present in regard to sales and profits during 1931. Two of the principal jobs carried out during the year were the manufacture at the Amherst plant of bath tubs for the new Canadian Pacific Hotel at Yarmouth and the new Canadian National Hotel at Vancouver.

Capitalization—

	Authorized	Outstanding
Common	50,000 shs.	29,500 shs.
No par value.		

Funded Debt—
In April, 1931, shareholders authorized the issue of $500,000, 6 per cent, 20-year, 1st mortgage bonds.

Dividend Record—
Common—Formerly $1 per share per annum, payable quarterly, Feb., May, Aug. and Nov. 1. Initial dividend of 50 cents paid Aug. 1, 1928. Rate reduced from $2 to $1 per annum with payment of 25c. per share on Aug. 1, 1930. Passed May 1, 1931, and since.

Officers and Directors—

Officers—N. A. Hesler, pres. and man. dir.; N. T. Avard, vice-pres.; F. R. Rand, gen. sales mgr.; C. W. Fawcett, works mgr.; J. R. Stephenson, sec.-treas.

Directors—N. T. Avard, Amherst, N.S.; C. C. Avard, N. A. Hesler, C. W. Fawcett, F. R. Rand, Sackville, N.B.; E. E. Crandall, Vancouver, B.C.

Earnings per Share and Dividend Record:

	Year end. Dec. 31, 1930	21 mos. end. Dec. 31, 1929
Earned	$1.07	$3.87
Paid	1.50	3.00

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	8	5	31	6	34	26

BRANTFORD ROOF.

Diversified Line Will Help When Building Becomes Active

Brantford Roofing Co. manufactures a diversified line of asphalt roofings, felts, shingles and other building and insulating materials, as well as asphalt emulsion used in road building. Plants are located at Brantford and Thorold, Ont., and Coldbrooke, N.B. with branch warehouses throughout Eastern Canada. The Thorold mill, acquired in 1929, has been enlarged and equipped with machinery for the manufacture of roofing felts, while building and waterproof papers are also manufactured. Sales of the company are largely dependent upon building activity and road building. Quarterly dividend due January 15 on the preferred stock has been deferred.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum.	$1,000,000	$750,000
Par $100.		
Com., n. p. v.	22,500 shs.	20,077 shs.

Funded Debt—
1st mtge. 6½ per cent bonds, series "A," due 1950, outstanding, $600,000.

Dividend Record—

Preferred—7 per cent per annum, cumulative from July 1, 1928, payable quarterly, Jan., April, July and Oct. 15. Initial dividend paid Oct. 1, 1928. Reduced to 6 per cent in 1931, with payment of 75c. on Oct. 15. Dividend due Jan. 15, 1932, passed.

Common—None paid to date.

Officers and Directors—

Officers—W. D. Schultz, pres.; W. F. Cockshutt, vice-pres.; C. M. Thompson, man. dir. and sec.; E. M. Cockshutt, mgr.; A. C. Irwin, treas.; C. A. Fritch, gen. supt.

Directors—W. D. Shultz, W. F. Cockshutt, C. M. Thompson, F. W. Ryerson, W. T. Henderson, K.C., Brantford, Ont.; J. E. McConnell, London, Ont.; J. Aikens, Vineland, Ont.

GYPSUM-LIME

Cover Prior Charges in 1931—Operating Status Consolidated

Sales of Gypsum, Lime and Alabastine, Canada, Ltd., recorded a decrease of around 30 per cent in 1931 in comparison with the preceding year. This was a direct reflection of the decline in building activity throughout the Dominion, as well as the smaller volume of export business.

The financial statement for the past year is expected to show that income was sufficient to cover bond interest, depreciation and to leave a small balance available for the common stock.

The balance sheet position of the company is said to have been improved and the organization is in a good position to take advantage of any upturn in the demand for its products.

Capitalization—

	Authorized	Outstanding
Common ...... N.p.v.	2,000,000 sh.	*450,876 sh.

*Subscribers owe $1,900 on outstanding stock.

Funded Debt—
First mtge. 5½ per cent bonds, due 1948, outstanding $3,869,828.
First mtge. 6 per cent bonds of Standard Lime Co., due 1944, outstanding $600,000.

Dividend Record—

Dividend due Jan. 2, 1932, passed. 20c. each paid Jan., Apr. and July, 1931; reduced to 10c. Oct., 1931.

The initial dividend on the old common was 75c. per share paid on July 2, 1928, at the rate of $3 per share per annum. Following the 4 for 1 stock split in Aug., 1929, the rate was $1.50 per share per annum.

Officers and Directors—

Officers—R. E. Haire, pres. and man. dir.; J. E. McConnell, vice-pres.; S. H. J. Reid, sec.-treas.

Directors—R. E. Haire, J. R. Inksater, H. J. Haire, Paris, Ont.; J. E. McConnell, London, Ont.; W. C. Pitfield, Montreal; W. Armstrong, Winnipeg; G. H. Kranenberg, R. S. McCurdy, Grand Rapids, Mich.; Hon. H. Cockshutt, Brantford, Ont.; N. L. Nathanson, Toronto.

Times Bond Interest Earned—

Yr. End. Dec. 31:	1930	1929	1928
After bank int. .	4.09	8.10	4.64
After bank int. & deprec.	2.72	6.29	3.56

Earnings per Share and Dividend Record:

Earned	$0.68	**$1.70	$6.46
Paid	1.32½	*1.50+75c	2.25

*Made up of two quarterly payments of 75c. on the old common and two quarterly payments of 37½c. on the new, after the four for one split.

**Based on the average number of shares outstanding during the year earnings were $2.35 a share, before income tax and interest paid on purchase of Beachville properties and $2.18 a share after allowing for those charges.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	12¾	5	26	10	32¾	20

INTER. PAINTS CAN.

Company Provides for Economies and Diversification

Earning power of International Paints (Canada) Ltd. fell off sharply in the year ended September 30, 1931. In order to conserve its liquid position, the company deemed it advisable to discontinue temporarily payment of dividends. Provision has been made for economies in operation and further diversification of the company's business.

International Paints is a subsidiary of International Paint and Compositions Co. of London, controlling the National Varnish Co. of Canada and the Holland Varnish Co.

Capitalization—

	Authorized	Outstanding
Com. Class "A" ..	20,860 sh.	20,860 sh.
Com. Class "B" ..	7,140 sh.	7,140 sh.
N.p.v.		
Pref. 7½% cum. ...	$840,000	$840,000
Par $30.		

Dividend Record—

Preferred—Entitled to $2.25 (7½%) per share per annum, payable quarterly, Jan., Apr., July and Oct. 15. Initial payment of 56¼c. (1⅞%) paid on Jan. 15, 1929, which rate was paid regularly to and including July 15, 1931. No payments have been made since. The preferred shares became cumulative as from Oct. 15, 1928.

Common "A" and "B"—Formerly $1 per share per annum, not payable on definite dates.

Initial payment of $1 per share was paid on Dec. 20, 1929, followed by payments of 75c. June 15, 1930, and 25c. Dec. 20, 1930. No payments since.

Officers and Directors—

Officers—Gen. J. W. Stewart, pres.; F. M. Ross, vice-pres.; J. H. Davey, gen. mgr.; T. H. Greenbank, sec.-treas., Montreal.

Directors—Gen. J. W. Stewart, E. J. Coyle, L. L. Gordon, Commander B. L. Johnson, Vancouver, B.C.; F. M. Ross, C. H. Temple, N. Holland, H. N. Baird, Hon. A. K. Hugessen, W. W. Hutchison, J. E. Labelle, K.C., Montreal, P.Q.; E. F. Newcombe, K.C., Ottawa, Ont.; J. Playfair, Midland, Ont.; A. G. H. Ward, Sir G. M. W. Macdonogh, G.B.E., K.C.B., K.C.M.G., London, Eng.

Earnings per Share and Div. Record:

Yr. End. Sept. 30:	1931	1930	1929
Pref.: Earned†	$0.92	$4.12	$5.25
Earned‡	0.92	2.25	2.62
Paid	1.68¾	2.25	2.25
Common "A" and "B":			
Earned†	nil	1.87	3.00
Earned‡	nil	1.87	2.62
Paid	nil	1.00	1.00

†Before taking participation provisions into consideration.

‡After taking participation provisions into consideration.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Class "A"	10	5	17½	10	25½	15

Iron and Steel Production, by Industries, 1930

(Latest report by Dom. Bureau of Statistics)

	No. of Plants	Capital Employed	No. of Employees	Salaries and Wages	Cost of Materials	Selling Value of Products at Works 1930	1929
Primary Iron and Steel	49	$112,079,926	9,723	$ 14,934,325	$22,765,648	$ 52,588,935	$ 72,231,995
Castings and Forgings	344	102,852,238	21,109	26,723,151	30,241,246	78,760,211	91,575,146
Boilers, Tanks and Engines	35	9,982,016	1,990	2,572,804	4,565,856	9,597,239	10,006,278
Agric. Implements	57	98,684,828	7,405	9,564,049	11,353,523	26,902,139	40,659,479
Machinery	172	69,908,289	11,126	17,563,066	18,333,322	53,742,338	65,692,539
Automobiles	16	90,671,678	12,541	19,473,782	66,924,019	101,677,487	177,315,598
Auto Parts and Access.	59	16,741,580	3,606	4,578,045	10,741,876	18,525,617	31,965,078
Bicycles	3	2,931,867	495	595,641	1,384,866	1,962,947	2,470,383
Railway Rolling Stock	37	95,528,690	26,390	38,200,581	62,987,732	108,733,065	126,487,037
Wire and Wire Goods	65	34,944,992	3,831	4,826,768	7,007,308	18,200,050	21,647,273
Sheet Metal Products	155	53,832,166	8,816	10,548,026	25,270,159	47,464,612	53,151,698
Hardware and Tools	136	33,176,702	6,427	7,023,464	6,451,317	22,570,495	27,658,312
Misc. Iron and Steel Prod.	63	12,722,940	3,207	4,746,053	6,498,212	14,237,058	17,152,169
Bridge and Structural Steel*	13	28,922,951	4,943	8,686,062	12,549,435	26,055,783	....
Total, 1930	1,204	$762,980,863	121,519	$170,035,817	$287,074,519	$581,017,984	$738,012,980
1929	1,169	754,989,105	132,281	186,928,700	384,925,660	738,012,980	....

*Included in iron and steel group for first time in 1930.

PRINCIPAL IMPORTS (Iron and Its Products)

	1928	1929	1930	1931†
Vehicles and parts*	$93,469,239	$89,228,317	$47,781,376	$24,259,991
Machinery	57,142,451	69,574,589	50,216,899	30,651,566
Rolling mill products	54,834,512	64,746,638	46,481,879	25,290,799
Farm implements	39,893,490	31,845,326	21,944,231	4,519,476
Engines and boilers	18,406,281	17,774,349	10,827,352	7,493,177
Tubes and pipes	4,327,459	6,023,488	4,102,689	2,089,763
Hardware and cutlery	4,569,987	5,113,163	3,739,706	2,741,577
Iron ore	4,325,159	5,026,265	3,324,190	1,644,236
Wire	3,632,816	3,828,386	2,731,845	1,633,486
Tools	2,971,011	3,381,654	2,351,031	1,417,877
Pigs and ingots	2,976,909	2,828,828	1,307,187	930,866

*Includes automobiles and auto parts. Automobiles totalled $40,832,876 in 1928; $39,423,134 in 1929, and $20,560,287 in 1930. Auto parts totalled $48,839,955 in 1928; $44,772,091 in 1929, and $23,358,778 in 1930.

†Twelve months to Nov. 30.

PRINCIPAL EXPORTS (Iron and Its Products)

	1928	1929	1930	1931†
Automobiles	$33,876,315	$44,655,439	$18,548,627	$7,282,519
Farm implements	14,455,728	19,835,746	10,302,404	3,344,553
Machinery	7,571,929	7,146,084	6,108,818	4,372,548
Pigs and ingots	3,123,158	4,983,455	2,761,587	1,120,960
Pipes and tubes	1,845,010	2,567,033	1,666,211	1,297,026
Automobile parts	2,152,166	2,350,232	1,587,571	865,172
Hardware and cutlery	2,190,094	1,816,526	1,687,306	876,423

†Twelve months to Nov. 30.

CAN. WIRE & CABLE

Plant Operations Maintained at Relatively Good Level

Plant operations of Canada Wire and Cable have been maintained at a satisfactory level over the past year. As its name implies, the company manufactures wire and cable which is used in a great many industries, but primarily in the power and electrical industries.

Last year the company brought into operation its new copper wire plant at Montreal East. This unit is producing a large quantity of various types of copper wire and is expected to be a good money maker for the parent company.

Noranda Mines, which supply copper to the Montreal unit, has a large stock interest in Canada Wire and Cable.

Capitalization—

	Authorized	Outstanding
Pref. 6½% cum. ..	$5,000,000	$3,000,000
Par $100.		
Class "A," n.p.v.	75,000 sh.	30,769 sh.
Class "B," n.p.v.	*350,000 sh.	126,462 sh.

*91,538 shares are reserved to provide for exercising of purchase warrants attached to the outstanding pref. shares and conversion of the outstanding class "A" shares. During 1930, Noranda Mines, Limited, subscribed for 30,000 class "B" common shares of which 22,000 remained to be issued as at Dec. 31, 1930.

Dividend Record—

Preferred—6½ per cent per annum, cumulative, from April 15, 1929, payable quarterly Mar., June, Sept. and Dec. 15. Initial disbursement 81¼ cents paid June 15, 1929. Paid regularly.

Class "A" Common—$4 per share per annum. Initial disbursement of 50 cents per share paid June 15, 1929. Paid regularly. Dates payable same as preferred.

Class "B" Common—Present rate $1 per share per annum. Reduced from $1.75 per annum Dec. 15, 1931. Initial quarterly dividend paid Dec. 15, 1930 and regularly since. Dates payable same as preferred.

Officers and Directors—

Officers—H. Horsfall, pres. and man. dir.; W. H. Marsh, vice-pres. and sec.-treas.; T. A. Gass, gen. mgr.; L. A. Hills, A. I. Simmons, asst. sec.-treas.

Directors—H. Horsfall, W. H. Marsh, J. Y. Murdoch, K.C., Toronto; F. A. Magee, Hamilton, Ont.; J. S. Aird, N. A. Timmins, P. A. Thomson, Montreal; H. T. Dyett, D. R. G. Palmer, W. Robbins, New York City.

Earn. per Share and Div. Record:

Yr. End. Dec. 31:	1930	1929
Preferred: Earned	$22.86	$29.52
Paid	6.50	§4.06¼
Class "A": Earned	15.95	*15.35
Earned	10.91	....
Paid	4.00	§2.50
Class "B": Earned	2.46	‡5.67
Earned	3.38	....
Pail	0.43¾	....

§Being initial payment covering 1½ months, and two quarterly payments.

*After deduction of full year's preferred dividends.

‡After deduction of full year's preferred dividends, and class "A" at the rate of $4 per share per annum.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Class "A"	70	54½	82	65	95	70½
Class "B"	30½	20	41	24	47	24½

FOUNDATION CO.

Good Volume of Business on Books for This Year

Foundation Co. of Canada was fortunate in securing some substantial contracts last year and it is expected that the total volume of business in the fiscal year ended April 30, 1932, will not be less than that handled in the previous period. Latest available figures, at September, 1931, showed the company had contracts on hand totalling about $7,500,000. At that time, however, it was stated that prospects for further business, especially in the building department, were somewhat dull.

The company operates in three divisions, building, engineering and marine. Substantial additions have been made to equipment in recent years which have enabled the company to handle its contracts with expedition.

Some of the larger orders on hand include the 130,000 h.p. hydro-electric development for the MacLaren Quebec Power Co. at Masson.

Capitalization—

	Authorized	Outstanding
Com., n.p.v.	150,000 shs.	84,600 shs.

Dividend Record—
Common—Present rate $1 per share per annum payable quarterly, Feb., May, Aug. and Nov. 15. Initial dividend of 25 cents paid Aug. 15, 1929, and regularly since.

Officers and Directors—

Officers — R. E. Chadwick, pres. and gen. mgr.; V. M. Drury, F. G. Rutley, V. G. Younghusband, R. R. Holland, vice-presidents; C. E. Grearson, sec.-treas.; H. C. Link, asst. sec.-treas.

Directors—R. E. Chadwick, V. M. Drury, A. J. Brown, K.C., E. R. Decary, N.P., W. F. Angus, F. M. Ross, F. G. Rutley, N. A. Timmins, Montreal; Hon. F. H. Phippen, K.C., C. B. McNaught, Toronto; J. W. Doty, New York.

Earnings per Share and Div. Record:
Years End. Apr. 30:

	1931	1930	1929
First pref.:			
Earned	......	......	$55.34
Paid	......	......	7.00
Second pref.:			
Earned ..	......	......	68.77
Paid	......	......	*8.75
Common:			
Earn. (old)	......	......	12.50
Earn. (new)	$2.17	$2.86	2.36
Paid	1.00	1.00	......

* For fifteen months.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	16½	8¼	16½	8	25	15

PROVINCIAL GLASS

Progress is Made After Reorganization of Dec., 1930

Provincial Glass Co. manufactures all kinds of flat glass and includes among its products counters, showcases and soda water fountains. Formerly operating under the name of Perfection Glass Co., reorganization was effected in December, 1930, and with reduced capitalization and the writing down of assets to a nominal figure the company has been in a position to make progress during the past year.

Capitalization—

	Authorized	Outstanding
Com., n.p.v. ..	50,000 shs.	21,161 shs.

Officers and Directors—

Officers—A. W. Holmested, pres.; L. A DeLaplante, vice-pres.; R. A. Newcombe, gen. mgr.; Miss Janet Gibson, sec.

Directors—A. W. Holmested, D. McLaren, L. A. DeLaplante, Toronto; J. J. McFadden, Spragge, Ont.; J. P. Anglin, C. Garratt, Montreal.

J. S. MITCHELL

Occupies Strong Position in Eastern Townships Supply Trade

J. S. Mitchell & Co. operate a general merchandise business in the Eastern Townships, with headquarters located at Sherbrooke. It is an ably managed concern and has established itself as a supply house for the many industries in that territory.

The financial record of the company has been satisfactory to date and due to the steady redemption of the preferred stock, the equity back of the common has been correspondingly increased.

Capitalization—

	Authorized	Outstanding
Pref., 7% cum.	$1,000,000	$348,400
Par $100.		
Common, n.p.v.	15,000 shs.	15,000 shs.

Dividend Record—

Preferred—7 per cent per annum, cumulative from July 1, 1926, payable quarterly, Jan., April, July and Oct. 1. Initial dividend paid Oct. 1, 1926, and regularly since.

Common—Initial dividend of $1 paid May 1, 1931; $1 paid Nov. 9, 1931.

Officers and Directors—

Officers — John C. Newman, pres.; George W. Murphy, vice-pres. and gen. mgr.; Hon. Gordon W. Scott, treas.; Frank S. Brophy, sec., Royal Bank Bldg., Montreal.

Directors—John C. Newman, Colin W. Webster, Hon. Gordon W. Scott, Winfield P. Rapley, Montreal, Que.; George W. Murphy, Malcolm W. Mitchell, Albert C. Stevens, Sherbrooke, Que.

Earnings per Share and Div. Record:
Years End. Dec. 31:

	1930	1929	1928
Pref.: Earned	$29.53	$26.56	$23.46
Paid	7.00	7.00	7.00
Com.: Earned	4.96	5.81	5.44
None paid.			

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	40½	40	41	40	73	35
Pref.	105	104	104	104	107	104

ROBT. MITCHELL

Operations at Relatively Low Level During 1931

Robert Mitchell Co., through coordinated subsidiary divisions, is engaged in the manufacture of architectural bronze and iron, bronze castings, railway car bearings, acid-resisting bronze, while through a contract department the company executes orders for complete installation of plumbing, heating and ventilating equipment.

Activities in 1931 were conducted at a relatively low level, though in the fall of 1931 unfilled orders began to show improvement. The company has extended and improved its plant facilities in recent years and equipment has been modernized, placing the company in a good position to take advantage of any improvement in business conditions.

Capitalization—

	Authorized	Outstanding
Common	100,000 sh.	70,000 sh.
No par value.		

Dividend Record—
Common—$1 per share per annum, payable Jan., April, July and Oct. 15. Initial dividend: 25c. per share paid Oct. 15, 1929.

Officers and Directors—

Officers—A. M. Mitchell, pres., treas. and mgr.-dir.; S. C. Holland, vice-pres. and gen. mgr.; H. M. Kennedy, vice-pres.; A. Broomer, comptr. and sec.

Directors—A. M. Mitchell, S. C. Holland, H. M. Kennedy, F. Hay, Frank B. Common, K.C., J. P. Linton, Howard Murray, O.B.E., Montreal, P.Q.; D. I. McLeod, Toronto.

Earnings* per Share and Dividend Record:

Years Ended Dec. 31:	1930	1929	1928
1st pref.: Earned ..	....	....	$57.15
Paid	....	....	7.00
Common: Earned ..	$2.05	$3.22	3.32
Paid	1.00	0.50	....

*Based on net profit before income tax in 1930 and 1929, and on shares outstanding.

On the basis of all stocks being reduced to common stock basis and on the total average number of shares outstanding during 1929 and 1928, the earnings per share were $4.33 and 3.46 respectively.

Shares Outstanding as at Dec. 31:

	1930	1929	1928
First preferred	....	....	2,886
Common	70,000	70,000	41,292

Market Record—

	1931		1930		1930	
	H	L	H	L	H	L
Com.	20	8	33	13½	66½	24

MACKINNON STEEL

Starts Current Year With Strong Liquid Position

Together with other structural steel fabricators, MacKinnon Steel Corp. has felt the effect of the decline in major building operations. The company, whose plant is located at Sherbrooke, made a relatively satisfactory showing in its last fiscal year; considerable improvements have been made to plant since the company's inception.

Reduction in demand for structural steel caused substantial decrease in gross sales of MacKinnon Steel Corp. in the year ended July 31, 1931, and net earnings in that year were not quite sufficient to cover preferred dividends.

In September, 1931, a $200,000 contract was secured from the Quebec Government and the company had sufficient orders to carry on operations on a part time basis until this spring. The company has a strong cash position and at July 31, 1931, current assets exceeded current liabilities by 17.32 to 1.

Capitalization—

	Authorized	Outstanding
Pref. 7% cum.	$1,000,000	$550,000
Par $100.		
Common n.p.v.	*40,000 shs.	12,000 shs.

* Includes 11,000 shares reserved for conversion of outstanding preferred stock.

Dividend Record—

Preferred—7 per cent per annum, payable quarterly, Feb., May, Aug. and Nov. 1, and accruing from Nov. 1, 1928. Paid regularly.

Common—None paid.

Officers and Directors—

Officers—D. H. McDougall, pres.; J. L. McSweeney, vice-pres.; H. W. Welsh, gen. mgr.; E. Holgate, chief eng.; J. M. S. Macdonald, sec.-treas.

Directors — D. H. McDougall, J. B. Woodyatt, Hon. W. G. Mitchell, K.C., J. Irwin, J. L. McSweeney, T. Hutchison, Montreal; H. W. Welsh, Sherbrooke, P.Q.

Earnings per Share and Div. Record:
Years End. July 31:

	1931	1930	1929
Pref.: Earned	$5.87	$13.14	$10.30
Paid	7.00	7.00	5.25
Com.: Earned*	nil	2.71	2.53
None paid.			

* After deduction of preferred stock sinking fund.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	25	10	40	40	48¼	36½
Pref.	95	90	96¼	88¼	101	97

NATIONAL STEEL

War Claim Award Helps Strengthen Balance Sheet

Business of the National Steel Car Co. has been more or less at a standstill for some time past owing to the lack of orders for rolling stock equipment from the railway companies. This is a situation common to other companies engaged in the same line of activity. Until the railways are again in the market, there is little reason for anticipating any marked change in the manufacturing operations of the company.

The financial position of the company, aside from income last year, has undergone an improvement as a result of the recent award of the company's war claim. It is anticipated that over $500,000 will be received from this source, which will add considerably to the liquid position of National Steel Car's finances.

Capitalization—

	Authorized	Outstanding
Common	130,000 shs.	130,000 shs.
No par value.		

Dividend Record—
Common—$2 per annum, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend of 50 cents paid Apr., 1929. Regularly since.

Officers and Directors—

Officers—R. J. Magor, pres.; Hugh N. Baird, vice-pres.; C. W. Adam, Hamilton, sec. and treas.; A. Van Hassel, New York, asst. sec.-treas.; Robt. S. Hart, Hamilton, mgr.; D. T. Main, Montreal, mgr.

Directors—Robert J. Magor, chm. of board, Montreal; W. E. Phin, Hamilton; Russell D. Bell, Montreal; D. B. Dewar, Hamilton; Glyn Osler, K.C., Toronto; F. E. Meredith, K.C., and Hugh N. Baird, Montreal.

Earnings per Share and Dividend Record—

Year Ended June 30:	1931	1930	1929
Earned	$2.62	$8.88	$2.78
Paid	2.00	2.00	1.00
Equities per Share† ...	$43.23	$42.61	$46.52

†Based on total assets less patents and goodwill, current liabilities, funded debt at par and reserve for depreciation.

Market Record—

	1931		1930		1929	
	H	L	H	L	H	L
Com.	42	11½	76½	29¾	142½	30

SHERWIN-WILLIAMS

Control Changes to American Affiliate of Same Name

While sale of Sherwin-Williams Co. of Canada in December showed an increase over the two previous months, total business from the beginning of the year, September 1, 1931, have fallen below levels of the previous period. The company is the largest paint manufacturer in Canada; any forecast on the results of the fiscal year must wait until the trend of spring developments becomes apparent.

A feature of the situation surrounding the company in 1931 was the transfer of control to its American affiliates. Sherwin-Williams

(Continued on page 23)

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CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors beg to present herewith a statement of the affairs and financial position of your Company for the fiscal year ending November 30th, 1931.

The current business of the Company, namely dealer business and other business originating during the year, showed considerable recession from the previous year. However, your Company benefitted from the finishing up of a number of construction projects carried over from the more prosperous years of 1928, 1929 and 1930, so that on the whole the Company did a fair volume of business, although its total tonnage was less than in 1930.

Miscellaneous earnings (earnings of Associated Companies, Investments, etc.) showed improvement over the previous year. Economies in operation were effected, due to plant improvements, savings in cost of distribution and other items. On the other hand, the cost of coal, which is such an important item in the cost of production of cement, increased during the year and taxation was also heavier.

Your plants operated during the year at approximately 60 per cent of their capacity. The reconditioning of the Montreal East Plant, referred to in the previous report, was completed early in the year, resulting in better operating efficiency. No. 8 Plant at Port Colborne, Ontario, was also overhauled during the year and changes made in the system of production which should result in more economical operation and also better working conditions. The Company's plants have all been well maintained.

Your steamer "Bulkarier" and electric motor ship "Cementkarrier" both had a successful operating season free from any serious accidents of navigation and demonstrated satisfactory earning capacity.

During the year the Company through its stock distribution plan gave the employees another opportunity to purchase the Company's stock. The response to this offer was very satisfactory. A continually increasing number of the employees are becoming financially interested in the Company so that now 75 per cent of them are stockholders.

We again want to refer to the accident prevention work which has been so successfully carried on at the plants of the Company. Three of your plants came through the year without a single lost time accident and very excellent records were set up by other plants. This is not only a tribute to the accident prevention work carried on at the different plants, but it is also a tribute to the efficiency in such plants, as we find that accident infrequency and plant efficiency are very closely related.

The results of the year's operations as shown by the balance sheet will, we trust, be considered satisfactory.

Respectfully submitted on behalf of the Board of Directors.

J. D. JOHNSON,
President.

BALANCE SHEET—NOVEMBER 30, 1931

ASSETS

CURRENT ASSETS:			
Inventories		$2,113,609.15	
Accounts Receivable (less Bad Debt Reserve):			
Customers' Accounts	$929,573.18		
Other Accounts	117,323.78		
		1,046,896.96	
Deposits on Tenders		56,058.43	
Deposits under Workmen's Compensation Commission		75,440.63	
Government Bonds and Other Securities		520,266.50	
Cash		1,662,393.33	
			$ 5,474,665.00
DEFERRED CHARGES TO OPERATIONS			84,649.44
INVESTMENTS:			
In Associated Companies and Other Investments			5,607,797.51
COST OF PROPERTIES:			
Land, Buildings, Plant, Equipment, etc., less Depreciation			39,633,435.21
			$50,800,547.16

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable	$ 737,930.55		
Bond Interest accrued and Unpresented Coupons	105,009.16		
Preference Dividend No. 16 payable Dec. 31, 1931	340,679.33		
			$ 1,183,619.04
RESERVES:			
Fire Insurance	$ 629,600.35		
Extraordinary Repairs and Renewals	100,000.00		
Cloth Sacks Outstanding	150,000.00		
Industrial Accidents	70,100.00		
Contingent Reserve (a portion of which is available for Government Income Taxes)	513,613.50		
Preference Stock Sinking Fund	13,281.74		
			1,476,595.59
FIRST MORTGAGE SINKING FUND GOLD BONDS 5½% SERIES "A" DUE 1947:			
Authorized	$30,000,000.00		
Issued	$20,000,000.00		
Less: Redeemed through Sinking Fund	822,000.00		
			19,178,000.00
PURCHASE MONEY OBLIGATIONS:			
Payable $300,000.00 per year for three years			900,000.00
PREFERENCE STOCK 6½% SINKING FUND CUMULATIVE:			
Authorized (of which $21,000,000.00 has been issued)	$25,000,000.00		
Outstanding			20,965,400.00
PREFERENCE STOCK REDEMPTION ACCOUNT:			
346 Shares redeemed and cancelled			34,600.00
COMMON STOCK AND SURPLUS	$ 6,[illegible].75		
PROFIT AND LOSS ACCOUNT:			
Profit from operations for the year ending November 30, 1931, after making provision of $2,071,101.42 for Depreciation of Capital Assets	$3,111,320.66		
Deduct:			
Bond Interest	$1,076,065.83		
Fire Insurance Reserve	161,624.25		
Reserve for Extraordinary Repairs and Renewals	25,000.00		
Reserve for Industrial Accidents	7,200.00		
Contingent Reserve (for Government Income Taxes, etc.)	275,000.00		
Preference Stock Sinking Fund	13,239.17		
		$1,558,129.25	
		$1,553,191.41	
Deduct:			
Dividend on Preference Stock		1,362,751.00	
		$ 190,440.41	
Balance of Profits at November 30, 1930		467,987.37	
A total of			658,427.78
represented by 600,000 shares of No Par Value Common Stock out of an authorized issue of 750,000 Shares			7,062,332.53
			$50,800,547.16

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of the Canada Cement Company Limited for the year ending November 30, 1931, and have obtained all the information and explanations which we have required. The profit from operations of $3,111,320.66 for the year as shown is arrived at after deduction of Depreciation and Other Provisions authorized by the Directors; and we certify that, in our opinion, the Balance Sheet at November 30, 1931, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, January 13, 1932.

APPROVED ON BEHALF OF THE BOARD:
J. D. JOHNSON, Director.
H. L. DOBLE, Director.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING JANUARY 18

Range 1931-32 High	Range 1931-32 Low	Divd. Rate in $	Yield in % Jan. 16		Sales	Close Jan. 11 (or last)	Week Ending Jan. 18 High	Week Ending Jan. 18 Low	Week Ending Jan. 18 Close
13¾	2¼	.	...	Abitibi, c.	185	2¾	3	2¾	3
50	6¾	.	...	Do. pref.	50	6¾	9⅞	7½	9⅞
105	80	.	...	Do. pref.	....	80½	..	..	..
9	5½	.	...	Agnew Surp. c.	....	9	..	..	..
88	83	7	8.4	Do. pref.	....	83	..	..	..
7½	2½	.	...	Alta. Pac. Gr.	25	7	7	7	7
30	10½	.	...	Do. pref.	....	30	..	..	..
4	3	.	...	Amal. Electric	....	3	..	..	..
18	10	.	...	Do. pref.	....	10	..	..	..
3½	2½	25c	...	Anglo N. Hold.	....	3½	..	..	..
.50	.25	.	...	Asbestos	....	.25	..	..	..
2.00	.45	.	...	Do. pref.	....	1.00	..	..	..
9	5	60c	10.9	Assoc. Brew.	....	5¼	..	..	..
70½	67	7	10	Do. pref.	....	70	..	..	..
10	3	.	...	Assoc. Can.	....	3	..	..	..
69	65	4+50	..	Assoc. Tele.	....	66	..	..	..
37½	12¾	.	...	Atlan. Sugar*	....	22½	..	..	..
105	79¾	.	...	Do. pref.	55	92	92	92	92
175½	158¼	10	6.3	Bk. Can. Nat.*	....	159¾	..	..	..
303	225	12	5.3	Bk. Montreal*	15	235	225	225	225
326	274	16	5.8	Bk. N. Scotia*	24	274	274	274	274
238	213	12	5.6	Bk. Toronto*	....	213	..	..	..
24	8½	.	...	Barcelona Tr.	....	15	..	..	..
5¼	3	.	...	Bathurst Pr.	....	3	..	..	..
5	1	.	...	Do. (B)	....	1	..	..	..
x26	26	.	...	Bawlf Grain	....	..	..	..	..
25	20	.	...	Do. pref.	....	20	..	..	..
12	6	.	...	Beath & Sons	....	6	..	..	..
14	10	1	10	Beatty Bros. A	10	10	10	10	10
80	58	6	10	Do. pref.	....	58	..	..	..
8½	3	.	...	Beauharnois*	26	3½	3½	3½	3½
93	85	7	8.2	Belding Cort.*	....	85	..	..	..
100	90	7	7.8	Do. pref.*	....	90	..	..	..
55	10	.	...	Belgo C.P. pf.	....	10	..	..	..
151⅞	119	8	6.7	Bell Telephone*	225	119	119	119	119
4½	2	.	...	Biltmore Hats	....	2	..	..	..
65	45	7	...	Do. pref.	....	45	..	..	..
4	2	.	...	Bissell, T. E.	....	4	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
20	7	2	...	Blue Ribbon	189	8¼	8	7	7
39½	24	3.25	13.5	Do. pref.	30	27	25	24	24
22½	14	2	11.4	Brant. Cd. pf.	....	17¼	..	..	..
28½	7⅞	1	...	Brazilian Tr.	16975	11¾	13¼	11¾	12¾
¾	¾	.	...	Brew. & Distil.	....	½	..	..	..
1½	¼	.	...	Brewing Corp.	260	½	..	..	..
7½	2½	.	...	Do. pref.	1	3	3¼	3	3
16½	7⅞	80c	7.6	Brit. Amer. Oil	2268	10⅛	10½	9⅞	10⅜
3⅞	¼	.	...	B.C. Packers	120	1	1¼	1⅛	1⅛
22	4½	.	...	Do. pref.	3	6¼	4½	4½	4½
42½	26	2	7.7	B.C. Power*	10	26	26	26	26
18	5¾	.	...	Do. (B)	375	8¼	5¼	5¼	5¼
8	4½	.	...	Bruck S. Mills*	....	4½	..	..	..
26	15½	2	11.1	Building Prod.	....	17½	..	..	..
44½	29½	3	9.7	Burt, F. N.	30	31	31	31	31
146	137	6	4.4	Calgary Pr.*	....	137	..	..	..
7⅞	2¼	.	...	Can. Bread	90	3	2¼	2¼	2¼
100	87	7	7.4	Do. pref. (A)	....	95	..	..	..
80	25	2	8	Do. pref. (B)	5	55	25	25	25
13½	7	1	11.1	Canada Bud	550	8¼	9	8¼	9
18⅞	5	.	...	Can. Cement*	739	6⅞	7	6	6½
96½	61	6.50	10.5	Do. pref.*	849	65¼	65	61	65
b45	10	1.20	9.9	Canada Dry	3800	11½	13½	11⅞	12
12	10	.	...	Can. Forg. A*	....	10	..	..	..
x16	5	.	...	Do. (B)	....	..	..	..	..
68	60	3	5	Canada Iron	....	60	..	..	..
80	75	6	7.5	Do. pref.	....	80	..	..	..
650	630	20	...	Canada Life	..	630	..	..	..
16½	10¾	1.50	12.5	Can. Malting	597	12	12¼	11¾	12
25½	15	80c	4.1	Can. Nor. Pr.*	....	19½	..	..	..
107	104	7	6.6	Do. pref.*	....	106	..	..	..
6	¾	.	...	Can. Paving	....	⅞	..	..	..
51	10⅞	.	...	Do. pref.	....	10¼	..	..	..
216	190	12	6.3	Can. Perman.*	....	190	..	..	..
4½	½	.	...	Can. Pr. & Pap	100	1	1	1	1
9	3	.	...	Can. Steamsh's	....	3	..	..	..
27	8	.	...	Do. pref.*	....	9	..	..	..
20	13½	1.60	10.7	Can. Vinegar	180	14	15	14½	15
70	54½	4	6.5	Can. W. Cable*	....	61	..	..	..
30½	20	1	4.8	Do. (B)*	....	20¾	..	..	..
16	9½	.	...	Can. Bakeries	....	9¾	..	..	..
35	31	.	...	Do. pref.	....	31	..	..	..
232	191	12	6.3	Can. Bk. Com.*	8	191	191	191	191
36½	19	1.25	6.6	Can. Bronze*	....	19	..	..	..
110	102	7	6.9	Do. pref.*	5	102	102	102	102
13¼	8	20c	2.5	Can. Canners*	....	8	..	..	..
92½	80	6	7.5	Do. 1st pfd.*	....	80	..	..	..
14	8½	68c	7.5	Do. 2nd pf.*	....	9	..	..	..
19	4¼	1	14.3	Can. Car & F*	594	7	7½	7	7⅜
25½	14⅜	1.75	11.3	Do. pref*	210	15¼	16	15½	15⅝
14¼	6	.	...	Can. Celanese*	....	6½	..	..	..
73½	59	7	10.8	Do. pref.*	....	65	..	..	..
58	30	2	6.7	Can. Convert.*	....	30	..	..	..
x50	45	.	...	Can. Cottons*	....	..	..	..	..
60	49	½	10	Do. pref.	....	60	..	..	..
36½	12	.	...	Can. Dredge	150	13	13½	13	13
92	92	7	7.6	Do., pref.	....	92	..	..	..
81⅞	68	6	8.8	Can. Fairb. p. f	25	80	68	68	68
6	5¾	.	...	Can. For. Inv.	....	6	..	..	..
80	70	8	10.4	Do. pref.*	....	77	..	..	..
300	200	4	2	Can. Gen. Elec.	....	200	..	..	..
63¼	54	3.50	6.2	Do. pref.	85	55	58	54¾	55½
80	52	6	9.1	Can. Hyd. E p*	....	66	..	..	..
5⅛	1⅛	.	...	Can. Ind. Alc.	310	1¼	1⅜	1¼	1¼
3.50	.75	.	...	Do. (B)	250	1.00	.80	.75	.75
5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
70	64½	5	7.7	Do. pref.*	....	65	..	..	..
42	15	1	...	Can. L. & Pr.*	....	25	..	..	..
18	1	.	...	Can. Locomo.	....	1	..	..	..
25	5	.	...	Do. pref.	....	5	..	..	..
b4½	¾	.	...	Can. Marconi	3100	1⅛	1⅛	1	1⅛
23½	9	1	9.8	Canadian Oil	90	10	10¼	10	10
120	95½	8	8	Do. pref.	....	100	..	..	..
45¼	12¼	1.25	..	Can. Pacific	9350	16¼	18¼	16	17
6¼	5	.	...	C. Pr. & Pa. In.	....	5	..	..	..
6½	2	.	...	Can. Vickers	....	2	..	..	..
35	16	.	...	Do. pref.	....	20½	..	..	..
6	2	20c	7.3	Can. Wineries	90	2¾	2¾	2	2¼
16	6	1	14.3	Can. Wire. Box	....	7	..	..	..
12	12	.	...	Catelli Mac A*	....	12	..	..	..
5	5	.	...	Do. (B)	....	5	..	..	..
301	290	12+2	4.7	Cent. Can. L'n*	....	300	..	..	..
5.35	1.50	10c	...	Chem Research	2500	1.90	1.94	1.80	1.80
20.25	6.00	30c(c)	...	Cities Service	....	7.25	..	..	..
10	3	.	...	Cockshutt Plow	212	4½	5	4⅞	5
9	3	.	...	Comm. Alcohol	....	4	..	..	..
9	3	.	...	Conduits	40	3¾	3	3	3
94	84	7	7.8	Do. pref.	....	90	..	..	..
12⅞	6¼	1	13.1	Cons. Bakeries	285	7⅞	7⅞	7⅞	7⅞
3	⅛	.	...	Cons. Food Pr.	....	1	..	..	..
6	3	.	...	Do. (A)	....	3	..	..	..
18⅞	4	.	...	Cons. Indust.	20	5	4¾	4¾	4¾
5	5	.	...	Consol. Paper	....	5	..	..	..
31	15	2	13.3	Cons. Press	5	23	15	15	15
80	50	7	14	Cons. Sand. pf.	....	50	..	..	..
188½	64	2.50†	3.5	Cons. Smelt.*	1888	70¾	72	69	70½
187	163	10	6.1	Consumers Gas	10	164	165	165	165
x35	30	.	...	Cooksville Co.	....	..	..	..	..
x85	85	4	...	Do. pref.	....	..	..	..	..
20½	15	.	...	Corpor. Steel*	....	15	..	..	..
x90	90	.	...	Corr. P. Box, p	....	..	..	..	..
3½	1	.	...	Cosgrave Br.	125	3¼	3¼	3⅛	3¼
9	3	.	...	Cosmos Imp.	15	3¼	3⅜	3½	3½
93	65	7	10.8	Do. pref.	....	65	..	..	..
6¼	2	.	...	Crown Dom. Oil	20	3	3	3	3
15	8½	3	...	Crow's N. Coal	....	10½	..	..	..
5	3	.	...	David & Fre. B	....	3	..	..	..
12⅞	12½	.	...	De Havilland	....	12½	..	..	..
9	5	.	...	Disher Steel	....	5	..	..	..
10	10	1.50	15	Do. pref.	....	10	..	..	..
12⅞	5	1	16.8	Distill-Seagram	1005	6	6½	5⅞	6¼
223	194	12	6.2	Dominion Bk.*	2	204	194	194	194
55¾	27	2.50	9.2	Dom. Bridge*	1785	27	27	27	27
40	40	.	...	Dom. Coal*	....	40	..	..	..
50	15	.	...	Dom. Engin.*	1000	22	22½	22½	22½
x14	10	.	...	Dom. Found.	....	..	..	..	..
126	82	5	6.1	Dom. Glass*	....	82	..	..	..
125	112	7	6.2	Do. pref.	....	112	..	..	..
11¾	2½	40c	10	Dom. Motors	25	4	4	4	4
14	5	.	...	Dom. Pr. Stubs	155	5	5¾	5	5⅞
24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
8½	1	.	...	Dom. St. & C.B.	316	2⅛	2⅛	2	2
24¼	13½	1.20+30c	8.3	Dom. Stores	662	17⅞	18	17	18
14	5	.	...	Dom. Tar & C.*	....	5⅞	..	..	..
95	79½	6.50	8.2	Do. pref.*	....	79½	..	..	..
83	63	5	7.9	Dom. Textile*	16	63¼	63¼	63¼	63¼
123	120	7	5.8	Do. pref.	....	120	..	..	..
12	10	.	...	Donnacona*	....	10	..	..	..
7	1½	.	...	Dryden Paper*	180	1½	1¾	1½	1¾
7½	3	.	...	Duff. Paving	....	4	..	..	..
80	68	7	10.3	Do. pref.	....	68	..	..	..
25½	16	1	5	East. Dairies*	....	20	..	..	..
20	16	50c	...	East. Steel*	....	16	..	..	..
100	97	7	7.1	Do. pref.*	....	98	..	..	..
x16	16	.	...	East Koot. Pr.	....	16	..	..	..
97	94⅜	7	7.3	Do. pref.	....	96	..	..	..
x34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
3¾	3⅜	.	...	Easy Washer	....	3¾	..	..	..
37	34¾	1.75	4.7	Economic Inv.*	....	37	..	..	..
15	15	.	...	Edmonton D'y	....	15	..	..	..
80	78⅜	6.50	8.3	Do. pref.	....	78⅜	..	..	..
8	5	.	...	Enam. & Heat*	....	5	..	..	..
40	20	3	15	Eng. Electric	....	20	..	..	..
16	2	.	...	Do. (B)	10	2½	2½	2½	2½
39¾	16	2	11.1	Fam. Players	....	18	..	..	..
33⅓	18	2	11.1	Do. Vot. Tr.	....	18	..	..	..
18	8	1	10	Fanny Farmer	....	10	..	..	..
34	27	2.40	8.3	Do. pref.	100	28¼	29	29	29
x25	.10	.	...	Federal Distil.	....	..	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
29½	10¼	.	...	Ford Motors A	3332	12⅞	14	12¼	13¼
15	5	.	...	For. Pr. Secs.	....	5	..	..	..
16½	8½	1	11.1	Foundation Co.	....	9	..	..	..
3	⅜	.	...	Fraser Cos.	85	1¼	1	1	1
8	5	.	...	Frost Steel	....	7	..	..	..
96½	85	7	8.2	Do. pref.	....	85	..	..	..
7½	1½	.	...	Gen. St. Wares	90	2¼	2½	2⅛	2⅛
119	70	5	6.7	Goodyear Tire.	44	78	75	75	75
107⅞	80	7	8.2	Do. pref.	137	85	88½	85	85
93½	93½	7	...	Gould Pumps p	....	93½	..	..	..
¾	½	.	...	Gt. W. Saddlery	....	⅝	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
31	20	2	9.5	Gurd, Chas.*	25	21	21	21	21
12⅞	5	.	...	Gypsum, Lime*	45	5	5	5	5
20½	6¾	.	...	Ham. Bridge*	5	7	7	7	7
80	63	6.50	10.1	Do. pref.*	....	64	..	..	..
19	8	.	...	Ham. Cot., pf.	10	8	10	10	10
4½	1	.	...	Ham. U. Theat.	....	1	..	..	..
63	55	7	11.7	Do. pref.	....	60	..	..	..
12	2½	.	...	Hayes Wheel	125	3½	4	3½	4
x95	80	.	...	Do. pref.	....	..	..	..	..
x50	50	.	...	Hillcrest Coll.	....	..	..	..	..
x91	91	.	...	Do. pref.*	....	..	..	..	..
4	1	.	...	Hinde & Dauch	485	1½	1	1	1
75	75	.	...	Holt Renfrew	....	75	..	..	..
x96½	90	7	...	Do. pref.	....	..	..	..	..
7	3	.	...	Honey Dew	15	3	3	3	3
59	38	7	17.5	Do. pref.	15	40	40	40	40
6	2½	.	...	H. Smith Pap.	....	3	..	..	..
45½	27	.	...	Do. pref.	105	40	27	27	27
22	15	2.40	11.1	Humberstone S	....	21½	..	..	..
28¼	17	1.40+50	11	Hunt (A)	....	17	..	..	..
23¼	18½	1.40+50	10.2	Do. (B)	....	18½	..	..	..
150	143	8	5.5	Huron & E. M*	....	144	..	..	..
29½	28	.	...	Do. 20% pd*	....	23	..	..	..
29⅝	8	.	...	Hydro-Electric	....	8	..	..	..
225	193	12	6.2	Imperial Bank*	2	193	193	193	193
18⅞	8¾	50+50c	9.7	Imperial Oil.	7962	10¼	10½	10	10¼
10½	7¼	35+20c	6.9	Imperial Tob.	2806	7½	8	7½	8
80	80	8	...	Inter. Coal, p.	....	80	..	..	..
29	9½	2a	...	Int. Hyd. E. A	....	9¾	..	..	..
103	92	7	7.3	Inter. Mill., pf.	101	96	96	96	96
80	80	6	7.5	Do. Series (A)	....	80	..	..	..
20½	8½	20c	2	Inter. Nickel	2468	10	11	9¾	10
10	4	.	...	Inter. Paints	....	4	..	..	..
b10½	1⅞	.	...	Int. Pa & Pr A	....	2¼	..	..	..
b6	½	.	...	Do. (B)	100	1	1	1	1
b4½	¼	.	...	Do. (C)	900	¾	⅞	⅝	¾
b43½	6¼	.	...	Do. pref.	1500	9¼	11	8⅜	10
15½	8½	1	9	Inter. Pete.	2553	10⅞	11½	10¾	11½
8	5	.	...	Inter. Power*	....	5	..	..	..
73	56½	.	...	Do. pref.*	....	57	..	..	..
45	5	.	...	Int. Util. (A)	360	7¾	8	7½	7½
11	1⅞	.	...	Do. (B)	135	2	3	2	3
40	40	1	2.5	Jam. Pub. Ser*	....	40	..	..	..
109	99¾	7	7	Do. pref.*	....	100	..	..	..
5¼	2½	.	...	Kelvinator	....	3	..	..	..
90⅞	73¾	7	7.8	Do. pref.	....	90	..	..	..
24	5	.	...	Lake of Woods	....	7	..	..	..
101	82	.	...	Do. pref.	....	85	..	..	..
140	140	8	5.7	Landed Bank.*	....	140	..	..	..
46	33	3	8.1	Laura Secord	16	37	37½	37	37
16	8¾	1	10	Lindsay, C. W.	....	10	..	..	..
72½	60	6.50	10.8	Do. pref.	....	60	..	..	..
14¾	9½	80c	7.6	Loblaw (A)	372	10½	10¾	10¼	10¾
14¾	9	80c	7.8	Do. (B)	20	10	10¼	10	10¼
x2¾	2¾	.	...	Loew's, London	....	..	..	..	..
25	10	.	...	MacKin. Steel	....	20	..	..	..
95	90	7	7.7	Do. pref.	....	91	..	..	..
x36	20	.	...	Manitoba Pr.	....	..	..	..	..
10½	4⅜	.	...	Maple Leaf	....	4⅝	..	..	..
40	10	.	...	Do. pref.	....	20½	..	..	..
30	30	.	...	Do. pref. "B"	....	30	..	..	..
38	30	.	...	Marcus Loew's	....	38	..	..	..
73	70	.	...	Do. pref.	....	73	..	..	..
10½	1⅞	.	...	Massey-Harris	1910	4½	4½	4	4
22½	9⅞	60c	5.7	McColl Fron.	5910	9⅞	10½	9⅞	10¼
80	69¾	6	7.9	Do. pref.	....	76	..	..	..
45	85	.	...	Mexican L. & P.	....	35	..	..	..
x25	25	.	...	Mercury Mills	....	..	..	..	..
x89	58½	.	...	Do., pref.	....	..	..	..	..
40½	40	2	5	Mitchell, J. S.*	....	40	..	..	..
105	104	7	6.7	Do. pref.	....	105	..	..	..
20	8	1	12.5	Mitchell, Robt*	55	8	8	8	8
1	1	.	...	Monarch Knit.	....	1	..	..	..
38	38	.	...	Do., pref.	....	38	..	..	..
95½	83½	6	6.5	Montreal Cot.*	....	92	..	..	..
102	98	7	7	Do. pref.*	....	100	..	..	..
3½	2	.	...	Montreal Exhib.	....	2¾	..	..	..
20	14	.	...	Mont. Is. Pr.	....	14	..	..	..
68¼	38	1.50	3.9	Mont L & P*	372	38	38	38	38
49¼	48	3+25	6.8	Montreal Loan	....	48	..	..	..
60	44½	3.20	7.2	Montreal Tele.	35	44½	44½	44½	44½
177	150	10	6.7	Mont. Trams.	....	150	..	..	..
17¾	8½	1	10	Moore Corp. c.	45	10	10	9	10
108½	95	7	7.2	Do. (A)	....	97¼	..	..	..
126	95	7	7.4	Do. (B)	....	95	..	..	..
x10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
x49	49	.	...	Do. pref.	....	..	..	..	..
3¼	1½	10c	...	Muirheads	....	..	..	..	..
10	6	75c	8.3	Do. pref.	....	9	..	..	..
35¾	23½	1.60	6.7	Nat. Brew.*	....	24	..	..	..
35	27	1.75	5.6	Do. pref.*	....	31	..	..	..
x10	3	.	...	Nat. Brick	....	..	..	..	..
19	5	.	...	Do. pref.	....	5	..	..	..
.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
42	10	2	20	Nat. Steel Car*	586	12½	[illegible]	10	10
360	250	14	5.6	National Tr.*	....	250	..	..	..
13	10	1	10	Niag. W. Weav.	10	10	10	10	10
36	32	3	9.4	Do. pref.	....	32	..	..	..
6.00	2.00	.	...	North Star Oil	100	2.75	2.50	2.50	2.50
4.95	4.00	35c	8.2	Do. pref.	....	4.25	..	..	..
x25	22½	.	...	N.S. Steel, pf.	....	..	..	..	..
285	125	8	4.3	Ogilvie Flour*	....	185	..	..	..
130	116¾	7	6	Do. pref.	....	117	..	..	..
21	6¼	60c	8.6	Ont. Eq. 10% p	15	7¼	7	7	7
120	113	6	5.1	Ontario Loan*	....	117	..	..	..
7	5	.	...	Ont. Silknit	....	7	..	..	..
16	13	.	...	Ont. Steel*	....	13	..	..	..
105	105	7	...	Do. pref.*	....	..	..	..	..
1½	¾	.	...	Orange Crush	....	¾	..	..	..
60	45	7	15.6	Do. (A)	....	45	..	..	..
5½	1	.	...	Do. (B)	....	1	..	..	..
110	90	6	5.7	Ott. L H & P*	....	105	..	..	..
105½	102	6.50	6.3	Do. pref.	....	103	..	..	..
25	25	.	...	Ott. Traction	....	25	..	..	..
92⅞	65	5	7.7	Page Hersey	95	66	66	65	65
49	21½	2.50	...	Paramount	....	21½	..	..	..
35	30	.	...	Paton Mfg.	....	30	..	..	..
94	82	7	7.4	Do. pref.	....	94	..	..	..
¼	¼	.	...	Pelissiers	....	¼	..	..	..
30	25	.	...	Do. pref.	....	30	..	..	..
73	31	.	...	Penmans*	....	33	..	..	..
101	93	6	6.2	Do. pref.	....	97	..	..	..
.75	.50	.	...	Perfec. Glass	....	.50	..	..	..
29	16½	2	12.1	Photo Eng.	....	16½	..	..	..
40	10	.	...	Port Alfred. pf.	....	10	..	..	..
70	64	7	10	Porto Rico P. p	....	70	..	..	..
b39½	4	.	...	Postal Tele.	....	..	..	..	..
63½	35⅛	2	5.5	Power Corp.*	4	36½	36½	36½	36½
102	90	6	6.7	Do. pref.*	2	97	90	90	90
4½	2	.	...	Prairie C. Oil.	....	2	..	..	..
16	7	25c	3.2	Pressed Metals	....	7¾	..	..	..
42¾	25	.	...	Price Bros.*	....	25	..	..	..
99	70	6.50	9.3	Do. pref.*	....	70	..	..	..
49	27	2	6.9	Quebec Power*	1	29	29	29	29
110	105	7	6.7	Real Estate L*	....	105	..	..	..
3	1	.	...	Regent Knit.	5	1⅛	2	2	2
10	5½	.	...	Reliance Grain	....	9	..	..	..
16	9	2	20	River. S. Mills	15	10	10	10	10
19½	10	1.50	12.5	Robinson Cone	15	10	12	12	12
16½	9	.	...	Rogers Majest.	....	9	..	..	..
291	231	12	5.2	Royal Bank*	....	231	..	..	..
84	75	.	...	Ruddy, E. L. p	....	75	..	..	..
77½	32	2	5.7	Russell Motor	....	35	..	..	..
95	70	7	10	Do. pref.	4	72¾	70	70	70
7	7	.	...	Sarnia Br. (A)	....	7	..	..	..
x12	5	.	...	Do. (B)	....	..	..	..	..
36⅞	5	.	...	Serv. Station	240	6¾	7	6½	7
90½	45	6	13.3	Do. pref.	....	45	..	..	..
59½	32½	2	6.1	Shawinigan*	70	33	33	33	33
30	19	1.60	8.4	Sher.-Wms.	40	24	20	19	19
121	112	7	6.1	Do. pref.	....	115	..	..	..
22	14	2.50	14.7	Simon & Son*	....	17	..	..	..
92	88¼	7	7.7	Do. pref.*	....	91	..	..	..
92½	50	6.50	13	Simpsons Ltd.	57	51	50	50	50
44½	36	.	...	Do. (A)	....	36	..	..	..
35½	24½	.	...	Do. (B)	....	29	..	..	..
108	100	6	5.8	Simpson, Robt.	....	103	..	..	..
4.00	.50	.	...	St. Law. Corp.	45	.75	.80	.80	.80
12	2½	.	...	Do. (A)	6	3	3½	3	3½
20	16	.	...	St. Law. Flour	....	16½	..	..	..
85	82	7	8.2	Do. pref.	....	85	..	..	..
30½	10	.	...	St. Law. Pap. p.	30	11	10	10	10
30	4	.	...	St. Maur. V. p	....	4	..	..	..
32	22¾	1	4	So. Can. Pr.*	5	29	25	25	25
106¼	104	6	5.7	Do. pref.*	....	105¾	..	..	..
16⅛	2¼	.	...	St. Pav. & Mat	155	3	3	3	3
80	55	7	11.7	Do. pref.	....	60	..	..	..
1	1	.	...	Stanfords	....	1	..	..	..
15	4	1	...	Stand. Chem.	25	5	4	4	4
9⅞	2	.	...	Stand. Steel	160	2½	2½	2	2
35	30	3	10	Do. pref.	....	30	..	..	..
42¼	20	1.75	7.9	Steel of Can.*	655	21¾	22	20	22
37	28½	1.75	6.1	Do. pref.	11	29	28¾	28¾	28¾
4½	¼	.	...	Sterling Coal	....	¼	..	..	..
32½	12¾	1	5.5	Super. Pet. ord.	150	16⅞	18	17	18
105	94	7	7.4	Do. pref.	....	95	..	..	..
31	14	1	6.7	Do. com.	....	15	..	..	..
49	41	.	...	Tamblyn	....	49	..	..	..
106	95	7	7.1	Do. pref.	....	98	..	..	..
30	17	3.50	18.4	Thayers, pref.	....	19	..	..	..
13	6½	.	...	Tip Top Tailors	....	7	..	..	..
90	77	7	8.4	Do. pref.	....	83	..	..	..
22	10	.	...	Tooke Bros.	....	10	..	..	..
67	48¼	.	...	Do. pref.	....	48¼	..	..	..
15	9½	.	...	Tor. Elevators	100	11½	12	11	11
235	210	12	5.6	Tor. Gen. Tr.*	....	215	..	..	..
115	108	6	5.4	Toronto Mtge.*	....	110	..	..	..
3	1	.	...	Traymore	....	1¼	..	..	..
12½	7	.	...	Do. pref.	....	7	..	..	..
130	120	7	5.5	Tuckett Tob. p	....	128	..	..	..
17¼	2½	.	...	Twin City	....	3½	..	..	..
b62	11½	7	...	Do. pref.	....	..	..	..	..
45	28	.	...	Do. (notes)	....	35	..	..	..
16	4⅝	1	22	Union Gas.	577	4⅝	4⅝	4½	4½
101½	98	7	7	Union Trust*.	....	100½	..	..	..
8	3	.	...	United Fuel	....	6½	..	..	..
65	10	.	...	Do. pref.	40	15	15	15	15
62½	40	2	5	United Secs.	....	40	..	..	..
24¼	8¼	.	...	Viau Biscuit	135	10½	11	10½	10½
85	70	7	10	Do. pref.*	....	70	..	..	..
30	10	.	...	Wabasso Cot.*	33	14	12	12	12
8¾	2⅜	25c	7.7	Walker-Good.	8515	3	3½	2⅞	2⅞
7½	2	.	...	Waterloo Mfg.	75	3½	3¾	3¾	3¾
45	30	1	2.6	Weston Bisc.*	....	88	..	..	..
90	79	7	8.9	Do. pref.*	....	79	..	..	..
17½	6½	.	...	West. C. Flour	145	8	8	8	8
96	70	6.50	9.3	Do. pref.	....	70	..	..	..
17	10	.	...	West. Grocers	....	10	..	..	..
55	40	7	16.3	Do. pref.	....	43	..	..	..
91	85	.	...	W. Steel P. p*	....	91	..	..	..
x9	9	.	...	Whittall Can.	....	..	..	..	..
13	10	.	...	Windsor Hotel*	....	12	..	..	..
73	71	6.50	9.1	Do. pref.*	....	71	..	..	..
21½	4	.	...	Winnipeg Elec.	30	7	7	7	7
81½	49	.	...	Do. pref.*	....	50	..	..	..
‡30	30	.	...	Woods Mfg.	....	..	..	..	..
40	36	.	...	Do. pref.*	....	36	..	..	..
80	80	.	...	Wood, Alex, J.p	....	80	..	..	..
x2½	1½	.	...	Zimmerknit	....	..	..	..	..
7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931-32 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of ½ of 1% monthly.
† Plus stock bonus.
* Minimum price is set, below which trading is not permitted for time being. List of minimum prices is given elsewhere.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)

January 19, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.30	.60
Acadia Sugar pfd.	2.10	2.90
Allens Coll. pfd.	31.00	....
Allens Lond. pfd.	31.00	....
Andian N. Corp.	20.00	25.00
B. C. Pulp & Paper c.	1.60	3.75
B. C. Pulp & Paper 7% pfd.	15.00	....
Can. Biscuit pfd.	....	8.00
Can. & Dom. Sugar com.	16.50	18.50
Can. Machinery c.	5.00	7.50
Can. Machy. 7% pfd.	22.00	23.00
Can. Packers com.	11.00	15.00
Can. Packers 7% pfd.	79.00	83.50
Can. Starch pfd.	69.00	....
Can. Tea pfd.	55.00	....
Can. Wire & Cable pfd. W.W.	84.00	91.00
Can. Celanese pfd.	52.00	....
Can. Indus. c. 'A'	75.00	....
Can. Indus. c. 'B'	75.00	....
Can. Industries 7% pfd.	107.00	113.00
Can. Westing.	50.00	55.00
Chase, A. W. Units	31.00	37.00
Cons. Oka Sand & Gravel pfd.	50.00	....
Copeland Flour 6% pfd.	....	9.00
Dairy Corp. pfd.	....	55.00
Dodge Mfg. 'A' pfd.	6.00	....
Dodge Mfg. 'B' com.	.50	....
Dom. Foundries & Steel pfd.	54.00	60.00
Dom. Foundries & Steel com.	5.00	7.00
Dom. Manuf. pfd.	71.00	....
Dunlop Tire 7% pfd.	65.00	80.00
East. Car 6% pf.	43.00	....
Fed. Grain pfd.	20.00	30.00
Goderich Elev. & Transit	14.00	16.00
Greening Wire 7% pfd.	82.00	89.00
Guar. Realty pfd.	35.00	42.00
Guelph Carpet pf.	72.00	....
Harding Carp. pf.	....	55.00
Inter City Baking com.	34.00	42.00
Internat. Prop. 'A'	22.00	24.75
Loew's London c.	.50	2.00
Loew's Lond. pfd.	3.00	5.00
M. & P. Stores pf.	....	94.00
Massey-Harris pf.	10.00	13.25
Morrow Screw Nut 7% pfd.	94.00	98.00
Mount Royal Hotel Scrip	.75	1.50
Mount Royal Hotel com.	1.25	2.50
Mount Royal Hotel 6% pfd.	10.25	....
Nat. Grocers com.	.75	1.75
Nat. Grocers 2nd 7% pfd.	34.00	44.00
Paramount Oshawa com.	8.00	12.00
Prov. Paper pfd.	55.00	65.00
Rolland Paper pfd. W.W.	34.00	....
Standard Clay Products c.	10.00	....
Standard Fuel pfd. bonus	58.00	63.00
Supertest Petrol. "B" pfd.	16.00	....
Toronto Brick pf.	40.00	60.00
Tor. Carpet com.	111.00	....
Tor. Carp. 8% pf.	97.00	....
Tor. Elev. 7% pf.	65.00	75.00
Tor. Housing c.	20.00	30.00
United Amuse. 'A'	14.00	....
West. Grain pfd.	20.00	26.00
Willards Choc. pf.	30.00	40.00
Insurance Stocks:		
Br. Amer. Assce.	24.00	....
Can. Life Assce.	460.00	500.00
Can. Nat'l Fire	18.00	26.00
Can. Fire Ins.	76.00	84.00

	Bid	Asked
Capital Life 20% pd.	10.00	15.00
Confederation Life 20% pd.	160.00	200.00
Continental Life 20% pd.	68.00	74.00
Crown Life	120.00	150.00
Dominion Fire	90.00	120.00
Dom. of Can. Gen. Ins.	190.00	215.00
Dominion Life 50% pd.	240.00	340.00
Excelsior Life 30% pd.	100.00	125.00
Fidelity Insur. of Canada	....	71.50
Great West Life	340.00	375.00
Guarantee Co. of N. A.	240.00	....
Halifax Fire	10.00	14.00
Imperial Life	275.00	330.00
Manufac. Life	280.00	310.00
Monarch Life 10% pd.	18.00	27.00
National Life 25% pd.	112.00	124.00
Saskatchewan Life 10% pd.	10.00	15.00
Sovereign Life 25% pd.	25.00	30.00
Sun Life Assur.	430.00	530.00
West. Assur. Co.	24.00	29.00
Western Life 20% pd.	7.00	....
Trust & Loan Stocks:		
Brit. Mtge. & Tr.	155.00	....
Can. Gen. Investments Ltd.	4.00	6.00
Chartered Trust	93.00	108.00
Debenture & Sec. com.	....	40.00
Debenture & Sec. pfd.	....	49.00
Eastern Can. Sav. & Loan	125.00	140.00
Eastern Trust	125.00	150.00
Guelph & Ont. Inv. par $50	50.00	60.00
Investment Founda'n Units	18.00	25.00
Lambton Loan & Savings	75.00	....
London & West. Trust	95.00	105.00
Midland Loan & Savings	17.00	....
Mtge. Disct. pfd.	3.65	4.75
Mutual Fin. pfd.	3.00	5.00
Mutual Fin. com.	3.00	5.00
Premier Trust	70.00	....
Security Loan & Savings	100.00	115.00
Sherbrooke Trust	107.00	....
Sterling Trust	...	90.00
Trad. Finance pf.	33.00	48.00
Trad. Finance c.	....	4.00
Trusts & Guar.	....	71.25
Victoria Trust & Savings	160.00	....
Waterloo Trust & Savings	116.00	133.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	92.00	95.00
Cargary Pwr. pfd.	....	75.00
Can. Light & Power c.	21.00	28.00
Can. West. Nat. Gas LH&P c.	20.00	....
Can. West. Nat. Gas LH&P pfd.	66.00	73.00
Great Lakes Pwr. pfd.	....	85.50
N.B. Pwr. 1st pf.	40.00	55.00
N.B. Tele. com.	9.00	12.00
N.S. L&P pfd.	70.00	80.00
Ottawa LH&P 6½% pfd.	95.00	100.00

Recent London Quotations:

Brewer Distillers	2s. 6d.
Can. & For. Sec.	7s. 6d.
Can. West. Lumber	1s. 6d.
Hudson's Bay	20s.
Do., 5% pfd.	55s.
Internat. Holdings	$1½
Nfld. Pr. & Pap. deb. stk.	85
Trust & Loan of Can. (15s. pd.)	5s.

Active Current Bond Prices

January 19, 1932

	Bid	Asked	Yield
Dominion of Canada 5½/33	100¼	100¾	5.05
Dominion of Canada 5½/34	99½	99¾	5.60
Dominion of Canada 5/43	95.	95¾	5.49
Dominion of Canada 4½/46	89½	90¼	5.50
Dominion of Canada 4½/56	87½	88½	5.34
Dominion of Canada 4½/58	88¾	89¼	5.39
C. N. R. (Dom. of Can. Guar.) 5/54	92½	93¼	5.51
C. N. R. (Dom. of Can. Guar.) 4½/51	88¼	89½	5.37
C. N. R. (Dom. of Can. Guar.) 4½/55	90¼	90¾	5.45
C. N. R. (Dom. of Can. Guar.) 4½/56	87½	88½	5.35
C. N. R. (Dom. of Can. Guar.) 5/69	95	95¾	5.28
Province of Ontario 4½/44	92.	93.	5.26
Province of Ontario 5/48	94.	95½	5.42
Province of Ontario (Hydro) 4½/70	86.	88.	5.25
Province of Quebec 4½/56	90.	93.	5.00
Abitibi Power & Paper 5/53	39.	44.	11.25
Argentine Gov't. (Ser. B) 6/58	53¾	55.	...
Beauharnois Power 6/59	55.	58	11.50
Bell Telephone Co. of Canada 1st, 5/57	103.	106.	4.60
Brazil, U. S. of, Ext. S. F. 6½/57	21.50	23.	...
British Columbia Power 5/60	79.	83.	6.30
British Columbia Power 5½/60	87.	90.	6.25
British Columbia Telephone 5/60	89.	92.	5.55
Calgary Power 5/60	78.	83.	6.30
Calgary Brewing 5/42	98.	102.	4.40
Canada Cement 1st Mtge. S. F. 5½/47	87.	90	6.55
Canada Gypsum Lime & Alabastine 5½/48	65.	70.	9.15
Canada Northern Power Corp. 5/53	76.	80.	6.80
Canada Steamship Lines 1st & Gen. 6/41	33.	40.	...
C. P. R. Collateral Trust 5/54	89.	94.	5.45
C. P. R. Secured 4½/44 Notes	78.	85.	6.30
Chile Republic Ext. S. F. 6/60	13¾	15.	...
Colombia Republic Ext. S. F. 6/61	25¾	27½	...
Davies, Wm. 6/42	80.	90.	7.40
Dominion Canners 6/40	96.	100.	6.00
Dominion Square Corporation 6/48	60.	65.	10.30
Dominion Tar & Chemical 6/49	73.	77.	8.12
Dominion Textile 6/49	98.	105.	5.55
Duke Price Power 1st, 6/66	90.	95.	6.35
Eastern Dairies, Ltd., Conv., 6/49	86.	92.	6.80
Eaton, T. Realty 5/49	80.	85.	6.45
Famous Players 6/48	65.	75.	9.00
Federal Grain 6/49	60.	70.	9.10
Foreign Power Securities Corp. 6/49	65.	80.	8.12
Fraser Companies 6/50	35.	45.	...
Gatineau Power, 1st Mtge. 5/56	78.	82.	6.50
Gatineau Power, S. F. Debs. 6/41	.65.	69.	11.65
General Steel Wares 6/52	38.	...	...
Howard Smith Paper Mills 5½/53	58.	65.	9.25
Harris Abattoir 6/47	80.	90.	7.10
Manitoba Power, 1st S. F. 5½/51	60.	70.	8.75
Maple Leaf Milling 5½/49	63.	68.	9.20
Massey-Harris 1st Mtge. 5/47	66.	72.	8.30
MacLaren Quebec Power 5½/61	77.	82.	6.98
Montreal Coke, 1st S. F. 5½/47	90.	98.	5.70
Montreal Island Power 5½/57	87.	95.	5.87
Montreal Light, Heat & Power 5/51	98.	103.	4.75
Montreal Tramways 1st Coll. Trust 5/41	92.	95.	5.70
Montreal Tramways Gen. Ref. 4½/55	70.	75.	6.60
Montreal Tramways 5/55	79.	83.	6.50
Moodie, J. R. 6/48	90.	95.	6.50
Ogilvie Flour Mills 6/32	99.	101.	4.95
Ontario Power Service 5½/50	60.	65.	9.50
Ottawa Valley Power 5½/70	88.	92.	6.05
Power Corporation of Canada 4½/59	65.	75.	6.45
Price Bros. 1st S. F. Ser. "A" 6/43	65.	75.	9.50
Quebec Power 1st Mtge. Coll. S. F. 5/68	90.	95.	5.31
Shawinigan Water & Power 4½/70	84.	89.	5.15
Shawinigan Water & Power 5/70	92.	98.	5.12
Simpsons 6/49	77.	85.	7.50
Southern Canada Power 1st, 5/55	90.	98.	5.15
United Securities Coll. Trust 5½/52	88.	94.	6.00
West Kootenay Power 5/56	84.	88.	6.00
Windsor Hotel 6½/43	90.	100.	6.50
Windsor Hotel 6/47	85.	94.	6.60
Winnipeg Electric 5/35	90.	100.	5.00
Winnipeg Electric 6/54	60.	70.	9.20

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co., Ltd.,
Canada Permanent Bldg., Toronto, Ont.
January 18, 1932

Provinces	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
Alberta	4½	1 Oct., 1953	1 April	79.50	6.05
Alberta	5	1 July, 1943	1 July	91.40	6.05
Alberta	6	1 Apr., 1936	1 April	99.60	6.10
British Columbia	4½	1 Oct., 1953	1 April	84.50	5.75
British Columbia	5	15 Jan., 1948	15 July	92.20	5.75
British Columbia	6	15 Aug., 1941	15 Feb.	101.50	5.80
Manitoba	4	1 July, 1947	1 July	80.00	6.00
Manitoba	5	2 Dec., 1959	2 June	86.60	6.00
Manitoba	5	15 June, 1943	15 June	91.80	6.00
New Brunswick	4	1 June, 1948	1 June	84.85	5.40
New Brunswick	4½	15 June, 1936	15 June	97.45	5.40
New Brunswick	6	1 Jan., 1936	1 July	101.75	5.50
Nova Scotia	4½	15 Nov., 1948	15 May	90.10	5.40
Nova Scotia	5	1 May, 1943	1 May	96.60	5.40
Nova Scotia	6	1 Nov., 1936	1 May	102.15	5.50
Ontario	4½	1 Sept., 1944	1 Mar.	93.00	5.25
Ontario	5	15 Oct., 1948	15 Apr.	94.50	5.50
Ontario	6	2 May, 1936	2 May	101.00	5.75
P. E. I.	4	1 Apr., 1939	1 Apr.	90.30	5.60
P. E. I.	4½	1 Oct., 1944	1 Apr.	89.95	5.60
Quebec	4½	1 May, 1961	1 May	86.42	5.15
Saskatchewan	4½	1 Oct., 1944	1 Apr.	84.58	6.25
Saskatchewan	5	1 Oct., 1950	1 Apr.	86.20	6.25
Saskatchewan	6	1 Feb., 1936	1 Feb.	98.65	6.35
Cities					
Montreal	5	1 Sept., 1963	1 Mar.	91.10	5.60
Toronto	4½	1 Jan., 1955	1 Mar.	87.05	5.50
Vancouver	5	15 Jan., 1970	1 Feb.	80.40	6.00
Winnipeg	5	1 Mar., 1944	1 Mar.	90.90	6.05
Edmonton	5½	1 Apr., 1947	1 May	88.65	6.80
Calgary	5	1 Jan., 1943	1 July	86.20	6.80
Halifax	6	1 July, 1951	1 July	100.00	6.00
St. John	5	15 Dec., 1950	15 June	90.85	5.85
Regina	4½	1 July, 1950	1 July	76.00	6.80
Victoria	5	21 July, 1945	21 Jan.	89.75	6.10
Quebec	5	1 June, 1948	1 June	98.35	5.15

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Acme Farmers Dairy, pref.	7%	3½%	Feb. 10	Jan. 30
Bank of Montreal	12%	3%	Mar. 1	Jan. 30
Beatty Bros. 1st pfd.	6%	1½%	Feb. 1	Jan. 15
Do., com.	$1	25c	Feb. 1	Jan. 15
Belding Corticelli, c.	7%	1¾%	Feb. 1	Jan. 15
B. C. Telephone, 2nd pref.	6%	1½%	Feb. 1	Jan. 15
Borden's	$3	75c	Mar. 1	Feb. 15
Bank of Toronto	12%	3%	Mar. 1	Feb. 15
Brazilian Tr. ord.	$1	25c	Mar. 1	Jan. 30
Can. Public Service pfd.	6½%	$1.62½	Jan. 2	Dec. 24
Calgary Power, pref.	6%	1½%	Feb. 1	Jan. 15
Can. Southern Rly.	$3	$1.50	Feb. 1	Dec. 28
Canadian Car, c.	$1	25c	Feb. 29	Feb. 15
Canada Northern Power	80c	20c	Jan. 25	Dec. 31
Can. Bronze	$1.25	31¼c	Feb. 1	Jan. 20
Do., pref.	7%	1¾%	Feb. 1	Jan. 20
Canadian Dredge, pref.	7%	1¾%	Feb. 1	Jan. 15
Can. Industries com.	...	62½c+$1	Jan. 30	Dec. 31
Can. Foreign Invest. pfd.	8%	2%	Feb. 1	Jan. 15
Cities Service, com.	30c	2½c	Feb. 1	Jan. 15
Do.,	6% stk.	½% stk.	Feb. 1	Jan. 15
Can. Converters	2%	50c	Feb. 15	Jan. 30
Community Trusts, c.	$2.50	62½c	Jan. 15	Dec. 31
Continental Life 20% pd.	$2	$2	Jan. 15	Jan. 13
Can. Investors c.	60c	15c	Feb. 1	Jan. 15
Can. West. Nat. Gas, c.	$6	$1.50	Jan. 15	Jan. 14
Dom. Scottish Investments pfd.	5%	62½c	Feb. 1	Jan. 20
Disher Steel Cons. "A" pfd.	$1.50	37½c	Feb. 1	Jan. 15
Dominion Bridge	$2.50	62½c	Feb. 15	Jan. 30
Do.	...	62½c	May 16	Apr. 30
Dominion Tar, pref.	6½%	1⅝%	Feb. 1	Jan. 6
Eastern Theatres, pfd.	7%	3½%	Jan. 30	Dec. 31
Eastern Dairies	$1	25c	Feb. 1	Jan. 15
Eastern Theatres, com.	$2	50c	Mar. 1	Jan. 30
Frost Steel, 1st pref.	7%	1¾%	Feb. 1	Jan. 20
Fuller, Geo. "A" (Can.) pfd.	6%	$1.50	Feb. 1	Jan. 15
Foreign Pr. Secs. pfd.	6%	1½%	Feb. 15	Jan. 31
Foundation Co.	$1	25c	Feb. 15	Jan. 30
Granby Cons.	50c	12½c	Feb. 1	Jan. 15
Guelph Carpet, pfd.	6½%	1⅝%	Feb. 1	Jan. 20
Do., com.	$1	25c	Feb. 1	Jan. 20
Humberstone Shoe	$2.40	60c	Feb. 1	Jan. 2
Hollinger Mines	65c	1%	Jan. 28	Jan. 14
Hamilton Bridge, pfd.	6½%	1⅝%	Feb. 1	Jan. 15
International Nickel, pref.	7%	1¾%	Feb. 1	Jan. 2
Inter. Utilities prior pfd.	$7	1¾%	Feb. 1	Jan. 15
Do., Series	$3.50	87½c	Feb. 1	Jan. 15
Imperial Bank	12%	3%	Feb. 1	Dec. 31
Industrial Mortgage, c.	$9	$4.50	Jan. 2	Dec. 15
Johnston Nat. Stge. pref.	7%	$1.75	Jan. 2	Dec. 23
Lindsay, C. W.,	$1	25c	Mar. 1	Feb. 15
Do., pref.	6½%	1⅝%	Mar. 1	Feb. 15
Mansfield Theatres pfd.	7%	3½%	Jan. 30	Dec. 31
MacKinnon Steel pref.	7%	1¾%	Feb. 1	Jan. 15
Montreal L. H. & Pr.	$1.50	38c	Jan. 31	Dec. 31
McLeod Oils	...	5c	Jan. 25	Jan. 5
McIntyre Mines	20%	5%	Mar. 1	Feb. 1
Monarch Life Assur.	$1	$1	Jan. 1	Dec. 31
Mortgage Corp. of N.S. c.	$7	$1.75	Feb. 1	Jan. 24
Neon Prod. of West. Can. pfd.	6%	1½%	Feb. 1	Jan. 15
Northern Ont. Power	$2	50c	Jan. 25	Dec. 31
Do., pref.	6%	1½%	Jan. 25	Dec. 31
Ontario Steel, pref.	7%	1¾%	Feb. 15	Jan. 30
Penmans, pref.	6%	1½%	Feb. 1	Jan. 21
Power Corp., com.	$2	50c	Feb. 20	Jan. 30
Royal Bank	12%	3%	Mar. 1	Jan. 30
Russell Motor Car	2%	½ of 1%	Feb. 1	Dec. 31
Do., pref.	7%	1¾%	Feb. 1	Dec. 31
Simpsons, pref.	6½%	1⅝%	Feb. 1	Jan. 20
South. Can. Power com.	$1	25c	Feb. 15	Jan. 30
Steel of Canada	7%	1¾%	Feb. 1	Jan. 7
Do., pref.	7%	1¾%	Feb. 1	Jan. 7
St. Law. Flour, pref.	7%	1¾%	Feb. 1	Jan. 20
Second Std. Royalties, pfd.	...	1%	Feb. 1	Jan. 22
Service Station, pref.	6%	$1.50	Feb. 1	Jan. 15
Do., Ser. "A" pref.	6%	$1.50	Feb. 1	Jan. 15
Teck Hughes	60c	15c	Feb. 1	Jan. 16
Vancouver W. Drug, pfd.	6½%	$1.62½	Jan. 2	......
Weston, pref.	7%	1¾%	Feb. 1	Jan. 20

Dividends Passed or Deferred:

Can. Dredge, com., Feb. 1, passed. Last paid 75c., Nov. 2, 1931.

Penmans, com., Feb. 15, deferred. Last paid Nov. 16, 1931.

Consolidated Industries Feb. 1, passed. Last paid 20c. Nov. 2, 1931.

Brantford Roofing, pref. Jan. 15 deferred. Last paid 75c. Oct. 15, 1931.

Frost Steel & Wire "A" pref. Feb. 1 passed. Last paid $1.75 Nov. 1, 1931.

Ontario Steel, com. Feb. 15 passed. Last paid 20c. Nov. 16, 1931.

Dividend Rate Reduced:

Can. Bronze c. 31¼c. Feb. 1. Reduced from $2.50 to $1.25 per annum.

Can. Converters 50c. Feb. 15. Reduced from $4 to $2 per annum.

Dominion Bridge 62½c. Feb. 15. Reduced from $3 to $2.50 per annum.

Granby Consolidated 12½c. Feb. 1. Reduced from $1 to 50c. per annum.

Can. Car, com., 25c. Feb. 29, reduced from $1.75 to $1 per annum.

Russell Motor Car, com. ½ of 1% Feb. 1. Reduced from $3 to $2 per annum.

Extra Dividends:

Can. Industries, Jan. 30, $1 per share.

Listed Bond Quotations

Week Ending January 18

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931-32 High	Range 1931-32 Low
Abitibi, 1st mtge.	5	1953	12	†35	...	...	78	33
Asbestos	5	1942	...	†65	...	...	100	...
Asbestos, 1st mtge.	6	1941	...	†14	...	...	20	14
Do., gen. mtge.	6	1956	...	14	...	...	9	...
Can. Cons. Rub.	6	1946	...	...	...	...	69¾	...
Can. Cottons	5	1940	6.48	...	...	...	91	88
Can. Forgings	6	1942	6.00	...	...	...	100	...
Can. Locomotive	6	1951	...	...	...	...	x96	...
Can. Pr. (La. Ser.)	5½	1958	...	10	...	...	28½	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	28½	5
Can. S. S. deb.	5	1943	...	...	...	...	x98½	...
Cedars Rapids	5	1953	4.92	†99½	...	...	105	100
Dom. Canners	6	1940	...	...	...	...	x108	...
Dom. Coal	5	1940	5.29	...	...	...	98½	98
McNish	6	1948	...	2.00	...	...	3.25	2.25
Mex. L. & Pr.	5	1940	10.05	...	...	...	73½	70½
Mont. L. H. & P.	4½	1932	...	...	...	...	x100	98¾
Mont. Tr. 1st mtge.	5	1941	5.83	...	...	...	101½	90¾
Mont. Tr. "A"	5	1955	6.72	†79	80	79½	95½	78¾
Mont. Tr. G. & R. "B"	5	1955	6.75	†79	79¾	...	95⅛	78½
Do., "C"	4½	1955	5.64	†79	...	...	85	84
Do., "D"	5	1955	6.85	...	...	...	95½	78
N. S. Steel	5	1959	...	...	...	...	62⅞	59
Ogilvie Flour "A"	6	1932	5.35	...	...	...	100¾	100
Do., "B"	6	1932	...	...	...	...	x100¾	100
Do., "C"	6	1932	5.73	...	...	...	100¼	...
Ont. Steel	6	1943	5.94	†100½	...	...	101	100¾
Porto R. Pr.	5	1936	7.95	...	...	...	93	88
Steel of Can.	6	1940	4.98	...	...	...	107½	106¾
Wayagamack	6	1951	...	41	...	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	5.12	91	...	...	99½	98¾
Toronto								
Canada Bread	6	1941	6.00	†80	...	...	101½	100
Steel of Can.	6	1940	5.12	...	...	...	106½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	3.66	106.00	....	....	108.15	103.75
Victory Loan	5½	1933	5.05	100.60	....	....	105.25	99.75
Do.	5½	1934	5.63	99.60	99.75	99.25	105.30	98.38
Do.	5½	1937	4.63	104.75	104.70	104.25	112.40	104.00
Do., refund	4½	1940	5.63	92.75	....	....	102.12	94.00
Do., refund	5	1943	5.48	96.25	96.25	95.75	106.50	95.75
Do., refund	4½	1944	5.55	91.00	....	....	102.25	92.50
Do., refund	4½	1946	5.53	90.50	....	....	102.45	89.00
Do., renewal	5½	1932	5.16	100.35	99.90	....	103.00	98.85
Conversion Loan	4½	1956	5.34	88.50	88.25	....	102.75	88.25
Do.	4½	1957	5.44	88.50	....	....	102.00	88.50
Do.	4½	1958	5.39	89.50	....	....	104.60	88.37
Do.	4½	1959	5.44	89.50	89.75	....	104.70	89.00
Nat. Service Loan	5	1936	5.78	96.90	97.25	97.00	98.85	96.25
Do.	5	1941	5.57	95.65	96.00	....	98.63	96.00

†Latest bid.

x—Quotations for 1930. None recorded in 1931-32 to date.

Stocks With Minimum Prices

Atlantic Sugar, com.	22½
Beauharnois Pr. "A"	3½
Belding-Cort., c.	85
Do., pref.	90
Bell Telephone	119
B. C. Power "A"	24
Bruck Silk Mills	4½
Calgary Power	137
Canada Cement	5
Do., pref.	60
Canada Forgings "A"	10
Can. Nor. Power, c.	19½
Do., pref.	106
Canada Steamships, pfd.	9
Can. Wire & Cable "A"	55
Do., class "B"	18
Can. Bronze	19
Do., pref.	102
Can. Canners, c.	8
Do., 1st pref.	80
Do., convert. pfd.	9
Can. Car & Foundry	6¼
Do., pref.	14¾
Can. Celanese	6½
Do., pref. 7%	65
Can. Converters	30
Can. Cotton	50
Can. For. Invest. pfd.	75
Can. Hyd.-Elec. pfd.	66
Can. Int. Inv. Tr., pfd.	50
Can. Light & Pr.	25
Catelli Mac., pfd. "A"	12
Cons. Smelters	60
Corporate Steel	9½
Dominion Bridge	27
Dominion Coal, pfd.	25
Dom. Engineering	18
Dom. Glass, com.	82
Dom. Tar & Chem.	5
Do., pref.	82
Dom. Textile, com.	63¼
Donn. Paper	10
East. Dairies	20
East. Steel, com.	16
Do., pref.	97
Enamel & Heat. Prod.	5
Gurd & Co.	21
Gypsum, Lime	5
Hamilton Bridge	7
Do., pref.	64
Hillcrest Coll., pfd.	88
Inter. Power	5
Do., pref. 1st.	57
Jamaica Pub. Ser.	40
Do., pref.	100
Mitchell, J. S.	35
Mitchell, Robt.	8
Montreal Cottons	92
Do., pref.	95
Mont. Light, Heat	38
Nat. Breweries	24
Do., pref.	31
National Steel Car	10
Ogilvie Milling	185
Ont. Steel Products	10
Do., pref.	90
Ottawa L. H. & Pr.	104
Penmans, com.	33
Power Corp.	36½
Do., pref.	90
Price Bros.	25
Do., pref.	70
Quebec Power	29
Shawinigan Power	33
Simons & Sons	17
Do., pref.	90
Southern Can. Pr.	25
Do., pref.	105¼
Steel Co. of Can.	20
Viau Biscuit, pfd.	75
Wabasso Cotton	10
West. Steel Pr., pfd.	65
Weston's, com.	38
Do, pref.	75
Windsor Hotel	10
Do., pref.	72
Winnipeg Electric, pref.	50
Woods Mfg., pref.	40
Trust and Loan	
Canada Perman.	185
Central Can. Loan	295
Economic Invest.	32
Huron & Erie	139
Do., 20% paid	23
Landed Banking	145
National Trust	245
Ontario Loan	114½
Real Estate Loan	105
Tor. Gen. Trusts	210
Tor. Mortgage	105
Union Trust	95
Banks	
Banque Canadienne	159¾
Bank of Commerce	191
Dominion Bank	194
Imperial Bank	193
Bank of Montreal	225
Bank of N. S.	274
Royal Bank	221
Bank of Toronto	203

Winnipeg Stock Exchange

January 15, 1932

	Bid	Ask
Beaver Fire	..	115
Beaver Lumber c.	5½	..
Can. Amer. Tr. sh.	..	4
Can. Fire Ins.	..	85
Can. Indemnity	120	..
Crescent Creamery pfd.	..	87
Gt. West Life	375	..
Home Investment	..	50
Monarch Life	..	32
Nor. C. Mtge. pf.	15	..
Nor. C. Mtge. c.	½	..
North. Trust	..	24
Un. Gr. Growers	..	14
West. Breweries	..	2
Fund. Tr. shs. 'A'	..	4¼
Do., "B"	..	4⅜
Grouped Inc. Shs.	..	4.85

SHERWIN-WILLIAMS

(Continued from page 21)

Co. of America. This was effected through the American company securing control of the common stock through purchase of common stock formerly held by the late W. H. Cottingham.

Omit Bonus Payment

A sharp decline in earnings in the last fiscal year resulted in the omission of bonus payments on the common shares, through dividends are still maintained.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. $100 par.	$4,000,000	$3,460,000
Com. shs., n.p.v.	225,000	200,000

The Sherwin-Williams Company of America owns approximately 60 per cent of the common stock.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable March 31, June 30, Sept. 30, Dec. 31. Paid regularly. Payable in Canadian funds.
Ordinary—$1.60 per annum, payable Mar. 31, June 30, Sept. 30 and Dec. 31. Payable in Canadian funds.

Officers and Directors—
Officers—W. S. Fallis, chm. of board; G. A. Martin, pres.; W. C. Cottingham, man. dir.; D. A. Whittaker, vice-pres. and sec.-treas; Leo C. deMerrall, dir. of mfg.
Directors—W. S. Fallis, Ste Anne de Bellevue, P.Q.; G. A. Martin, Cleveland, Ohio; W. C. Cottingham, Westmount, P.Q.; D. A. Whittaker, Leo C. deMerrall, W. J. White, K.C., Montreal, P.Q.; E. M. Richardson, New York, N.Y.; W. Sherwin Cottingham, London, Eng.

Earnings per Share and Div. Record:

	1931	1930
Pref.: Earned	$4.59	$18.27
Paid	7.00	7.00
Ordinary: Earned	nil	1.95
Paid	1.70	1.80

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Pref.	121	112	122	116	130	115
Com.	30	20	39	26	65	34

NATIONAL BRICK

Sales Show Decline and Outlook Uncertain

General decline in construction has found reflection in operations of National Brick Co. of Laprairie during the fiscal year, which ends February 28, 1932. Sales have been lower than in the preceding fiscal year and indications are that operations will be limited during the current year, inasmuch as there are no immediate signs of an upturn in new building.

Capitalization—	Authorized	Outstanding
Prem., cum. 6% Par $100.	$1,750,000	$1,669,800
Com., n.p.v.	25,000 shs.	20,698 shs.

Funded Debt—
1st mtge. 6 per cent bonds due 1949, outstanding, $1,600,000.

Dividend Record—
New Preferred—6 per cent per annum, cumulative from March 1, 1929. Payable quarterly, June, Sept., Dec. and Mar. 15. Payment due Mar. 16, 1931, was deferred. None since.
New Common—None paid.

Officers and Directors—
Officers—Hon. C. C. Ballantyne, pres.; P. Galibert, vice-pres.; A. T. Alexander, sec.-treas.
Directors—Hon. C. C. Ballantyne, P. Galibert, H. R. Trenholme, Hugh Mackay, W. E. Muir, N. J. Dawes, all of Montreal.

Times Bond Interest Earned:

Years End. Feb. 28.:	1931	1930	1929
Before res. for renewals	2.18	3.46	...
After res. for renewals	1.60	2.91	...

Earnings per Share and Div. Record:

Pref.: Earned	$1.74	$5.18	$7.78
Paid	2.25	3.00	6.00
Com.: Earned	...	3.51	2.98
None paid.			

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	..	..	10	3	15	8
Pref.	19	5	29½	12½	36	22

DOMINION GLASS

Earning Power Declines as Demand Eases—Improve Operating Efficiency

General sales of Dominion Glass Co. have been adversely affected by business conditions, particularly in its dealings with the brewing and distilling business. Earnings in the last fiscal year showed a sharp drop and dividends on the common stock were reduced by $2 to the present level of $5 a share.

A policy of retrenchment, combined with a strong effort to increase efficiency, is being followed. There has been some capital expenditure on equipment and also on additional property adjacent to the Point St. Charles factory, which will enable a scheme of improvements, proposed for that factory, to be carried out in due course.

Capitalization—	Authorized	Outstanding
Preferred	$3,000,000	$2,600,000
Common	5,000,000	4,250,000
Par $100.		

Funded Debt—
First mortgage 6 per cent bonds, due 1933, outstanding $544,500.

Dividend Record—
Preferred—$7 per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1.
Common—$5 per annum, payable quarterly, Jan., Apr., July and Oct. 1.

Officers and Directors—
Officers—Sir Charles Gordon, G.B.E., pres.; Ross H. McMaster, vice-pres.; J. W. King, gen. mgr.; Mervyn Offer, comptr. and sec.
Directors—Sir C. Gordon, G.B.E., Hon. D. Raymond, J. W. King, F. G. Daniels, R. H. McMaster, W. Molson, Maj. Gen. S. C. Mewburn, K.C., C.M.G., K. T. Dawes, N. M. Yuile, Montreal; R. King, Toronto; F. W. Ross, Quebec.

Times Interest Earned:

Year End. Sept. 30:	1931	1930	1929
	11.74	13.01	13.28

Earnings per Share and Dividend Record:

Preferred: Earned	$14.40	$19.49	$23.24
Paid	7.00	7.00	7.00
Common: Earned	4.35	7.64	9.93
Paid	7.00	7.00	7.00

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	126	82	141	98	220	120
Pref.	125	119	122	114	125	115

Disher Steel Construction

Disher steel Construction Co., which designs, manufactures and erects all kinds of steel structures has had a comparatively favorable experience in 1931, in view of the general depression in the construction industry.

Class "A" pref.	15,000 shs.	13,000 shs.
Common, n.p.v.	31,500 shs.	22,500 shs.

Dividend Record—
Class "A" Preference—$1.50 per share per annum, payable quarterly, Feb., May, Aug. and Nov. 1; cumulative from Nov. 1, 1929. Initial dividend of 37½c. paid Feb. 1, 1930, and regularly since.

Officers and Directors—
Officers—C. E. Disher, pres.; J. H. Button, vice-pres.; D. H. Rowan, sec.; T. E. Boyce, sales mgr.
Directors—C. E. Disher, T. E. Boyce, E. A. H. Menges, J. H. Button, F. Matthews, A. Longwell, H. E. Cochran, all of Toronto.

Earn. per Share and Div. Record:

Yr. End. Dec. 31:	1930	1929
Class "A" pref.: Earned	$3.98	‡6.79
Paid	1.50	nil
Common: Earned	1.37	‡3.52
None paid.		

‡Based on net profit. Common calculated after deduction of full year's dividend on Class "A" preference.

Market Record—

	1931 High	1931 Low	1930 High	1930 Low
Common	9	5	15	8
Preferred	10	10	18	16

PORT HOPE SANITARY

Decline in Building Has Reduced Earnings—Dividend Maintained

Manufacturer of enamelware, bathroom fixtures, porcelain products and associated lines, Port Hope Sanitary Manufacturing Co. has felt decreased activity in the building trade which resulted in decreased earnings during 11 months in 1930 when the fiscal year was changed to end December 31. The company ended that period with a strong current position, current assets exceeding current liabilities by 7.7 to 1. Common dividends have been maintained. Control of the company was acquired by Crane, Ltd. in 1930.

Capitalization—	Authorized	Outstanding
Common	75,000 shs.	38,153 shs.
No par value.		

Dividend Record—
Common—Present rate $1.50 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend at this rate paid March 1, 1931, and quarterly since.

Officers and Directors—
Officers—J. A. Kilpatrick, pres.; F. Armstrong, vice-pres. and gen. mgr.; J. S. Owens, sec.
Directors—J. A. Kilpatrick, F. Armstrong, F. J. Neale, D. M. Galloway, W. A. H. MacBrien, Toronto; C. L. Jobb, Montreal; Ralph J. Cutten, Toronto.

Earnings per Share and Div. Record:

	1930	1929	1928
Common (old):			
Earned	......	......	......
Paid	......	......	†$2.75+$2‡
Common (new):			
Earned	$2.12	$4.62	$5.30
Paid	$2.12½	$2.37½+$1‡	$1.00

† Before conversion into new common shares of no par value.. ‡ Bonus.

Stand. Steel Construction

Standard Steel Construction Co. has been doing business in designing. manufacturing and erecting all kinds of steel structures since the old company was first incorporated in Ontario in 1912.

The company's plant and warehouses are on a forty acre site at Port Robinson on the Welland canal. The annual output is stated to be rated at 15,000 tons. Last statement showed financial position adequate.

Capitalization—	Authorized	Outstanding
Preferred "A"	10,000 sh.	9,790 sh.
Common N.pv.	150,000 sh.	118,418 sh.

Funded Debt—
None.

Dividend Record—
Preferred—$3 per share, payable quarterly. Jan., April, July and Oct. 1. Initial dividend of 75 cents paid April 1, 1929, and regularly at that rate to date.
Common—None paid.

Officers and Directors—
Officers—T. J. Dillon, pres. and gen. mgr.; F. L. Haviland, vice-pres. and engineer; J. J. Breen, sec.-treas.
Directors—T. J. Dillon, F. L. Haviland, Emil Darte, Welland, Ont.; W. J. McDermott, H. E. Cochran, Salter Hayden, Toronto, Ont.; E. H. Wright, St. Catharines, Ont.

Earn. per Share and Div. Record:†

	1930	1929
Pref. "A": Earned	$9.19	$28.24
Paid	3.00	3.00
Common: Earned	0.51	2.09
None paid.		

†Based on net profit after all charges as shown above.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	9⅞	2½	15½	7	20	8½
Pref.	35	30	42½	36½	..	..

Canadian Quotations—Cont'd

Winnipeg Grain Prices

Week to January 19

Crop Year from Aug. 14 High	Low		Open Jan. 13	High for week	Low for week	Close Jan. 19
		Wheat				
.76½	.55½	May	.62⅞	.65	.61¾	.63¼
.77⅞	.61½	July	.63⅞	.66	.62¾	.64⅜
.67½	.64⅛	Oct.	....	.67½	.64½	.65¾
		Oats				
.38	.28	May	.32⅝	.34⅝	.32¼	.32⅝
.37½	.31⅞	July	....	.34	.32⅝	.32⅞
		Barley				
.47⅞	.32¼	May	.40⅞	.42½	.40¼	.40⅞
.45½	.38¼	July	.40⅞	.41⅞	.39¾	.40⅞
.43½	.40⅞	Oct.	....	.43½	.40¾	.40⅞
		Flax				
1.21	.97½	May	1.01½	1.05½	1.01½	1.02½
1.16½	1.00⅞	July	....	1.04⅞	1.01½	1.02½
		Rye				
.59⅛	.32½	May	.46	.48⅞	.45⅞	.46⅞
.59	.43⅞	July	.46⅞	.49⅞	.46½	.47⅞

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week to January 19

High	Low to date†		Close Jan. 12	High for week	Low for week	Close Jan. 19
		Wheat				
.72	.53⅞	May	.56⅞	.58½	.56	.58½
.60⅛	.53½	July	.57⅞	.59½	.57⅞	.59½

†Since trading opened March 3.

Foreign Exchange

	New York Funds High (Premium)	New York Funds Low (Premium)	Last Year High (Premium)	Last Year Low (Premium)
January 13	19¼%	18⅞%	15-64	13-64
January 14	19⅛	19	9-32	15-64
January 15	19	18	1-4	7-32
January 16	18½	18	5-16	7-32
January 18	18½	16⅞	9-32	7-32
January 19	16⅞	15½	1-4	9-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
January 13	3.41	3.91 15-16	5.05 3-4
January 14	3.46 1-2	3.91 7-8	5.06 1-4
January 15	3.48 1-4	3.92 7-8	5.07
January 16	3.48 1-4	3.93 3-8	5.05 3-4
January 18	3.47	3.91 3-4	5.03 1-4
January 19	3.45 1-2	3.93 3-8	5.02 3-4

FOREIGN EXCHANGE

Par		Jan. 5	Jan. 12	Jan. 19
5.26	Italian	6.03	6.00¾	5.84
23.80	German	28.17	28.14½	27.32
13.90	Belgian	16.50	16.49	16.15
49.80	Japanese	42.70	42.80	43.21

Mining Stock Quotations

Week Ending January 18

Par Val	Range 1931-32 High	Range 1931-32 Low	Company	Sales	Close Jan. 11 (or last)	High for week	Low for week	Close Jan. 18
1	.23	.02½	Abana	1,000	.04	.05	.05	.05
1	.03	.01	Aconda	600	.01½	.02	.01	.01
1	.05½	.03½	Adrien	......	.04½	.....	.....	.....
No	.50	.12	Aldermac	100	.25	.15	.15	.15
1	.20½	.06	Alexandria	4,000	.08	.07½	.06	.06
1	.05	.00½	Algonquin	1,000	.01	.00¾	.00¾	.00¾
1	.02½	.00½	Amity C.	2,000	.00¾	.01½	.00½	.00½
No	.45	.12	Amulet	8,675	.20½	.22	.20	.20
1	.02½	.00⅛	Apex	2,500	.00½	.00½	.00½	.00½
1	.05	.01	Area	1,000	.01½	.01½	.01½	.01½
1	.01	.00½	Argo Cons.	......	.01	.....	.....	.....
No	.08½	.01½	Arno	12,000	.02	.02	.01½	.01½
1	.02	.01	Astoria	......	.02	.....	.....	.....
1	.02	.00½	Atlas	......	.00½	.....	.....	.....
1	.08½	.03	Bagamac	1,900	.04	.03½	.03½	.03½
1	.02½	.00½	Baldwin	......	.00½	.....	.....	.....
1	.19½	.08	Barry Holl.	43,200	.11	.10½	.08	.08½
No	1.45	.75	Base Metals	300	.95	1.00	.95	1.00
No	.04	.00½	Bathurst	......	.03	.....	.....	.....
5s	1.75	.60	B'Wana McKubwa	......	1.00	.....	.....	.....
1	.28	.26	Ben Nevis	......	.27	.....	.....	.....
No	.37½	.06½	Bidgood	45,690	.07½	.08	.07	.07
1	.50	.08	Big Missouri	3,200	.16	.16	.14	.15
1	.05½	.04½	Blue Quartz	......	.04½	.....	.....	.....
1	.12	.01½	Bobjo	17,400	.04	.04	.03½	.03½
No	.01	.00½	Boischatel	......	.01	.....	.....	.....
1	.12	.01	Brett-Trethewey	6,400	.07½	.07½	.07	.07½
No	.12	.02	Brownlee	9,300	.02½	.03	.02	.02½
1	.02	.00½	Buckingham	......	.02½	.....	.....	.....
No	.30	.19	Buffalo Can.	17,150	.24½	.24½	.22½	.23½
No	.08½	.02	Bunker Hill	1,000	.02	.02½	.02½	.02½
No	.03	.01	Cal. Flin Flon	......	.01	.....	.....	.....
1	.04	.01	Cambro Kirk.	......	.04	.....	.....	.....
No	.05½	.02	Canam Metals	......	.02	.....	.....	.....
1	.06½	.01	Can. Kirk.	14,500	.02½	.02½	.02	.02
1	.32½	.05	Canusa	7,000	.05	.06	.05	.05
1	.04½	.00½	Capital R.	123,000	.01½	.02½	.01½	.01½
1	.30	.14	Castle Tre.	3,000	.15	.15	.15	.15
1	.23	.03	Cen. Manitoba	2,200	.08	.08	.07	.08
1	.17	.05	Can. Patricia	7,000	.07½	.07½	.06½	.07
1	.03	.01½	Champion R.	......	.02½	.....	.....	.....
No	.59	.02	Chibougamau	2,500	.07	.07½	.07	.07
No	.08	.00½	Clericy	10,500	.01½	.01½	.01½	.01½
5	10.50	2.50	Coast Copper	315	3.00	3.00	2.75	3.00
1	.05½	.01	Cobalt Contact	13,000	.02	.02	.01½	.02
1	.02	.00½	Col. Kirkland	......	.01½	.....	.....	.....
1	.39	.05	Columario	......	.08	.....	.....	.....
5	1.50	.50	Coniagas	......	1.00	.....	.....	.....
No	.62	.25	Coniaurum	......	.40	.....	.....	.....
25	188.25	64.00	Cons. Smelters	1,888	70.75	72.00	69.00	70.50
1	.40	.15	Cons. Venus	......	.40	.....	.....	.....
1	.01	.00½	Corona	......	.00½	.....	.....	.....
1	.02½	.00½	Crown Reserve	......	.01½	.....	.....	.....
No	.21	.03	Dom. Explorers	20,700	.08	.08½	.07	.08½
1	.03	.00½	Dom. Kirkland	......	.00⅞	.....	.....	.....
No	13.40	8.00	Dome Mines	4,365	10.00	10.10	9.90	10.00
1	.01	.00½	Don Rouyn	......	.01	.....	.....	.....
No	.33	.30	Donald Woolsey	......	.30	.....	.....	.....
1	.01	.00½	Dunkin	......	.00½	.....	.....	.....
1	.02½	.00½	Duprat	......	.01½	.....	.....	.....
1	1.68	.20	Eldorado	16,705	1.18	1.27	1.15	1.25
No	1.70	.90	Falconbridge	2,430	.97	1.01	1.00	1.00
1	.08½	.02	Federal	3,500	.03½	.04	.03½	.03½
No	.01½	.00½	Flintoba	1,500	.00½	.00½	.00½	.00½
No	.30	.06	Gem Lake	3,100	.07	.07	.06	.07
No	.04½	.01½	Gilbec	......	.02	.....	.....	.....
1	.08	.01½	Goldale	......	.02	.....	.....	.....
10	.25	.08	Goldfield	500	.11	.11	.11	.11
1	.01½	.00½	Gold Hill	......	.00½	.....	.....	.....
1	.11	.02½	Goodfish	......	.04	.....	.....	.....
1	.04	.00½	Graham	25,000	.00½	.01	.00½	.01
No	2.30	1.05	Granada	6,550	1.08	1.25	1.07	1.10
1	.22	.06	Grozelle	2,500	.20	.20	.19	.19
No	.30	.29	Halliwell	......	.28	.....	.....	.....
1	.03	.01	Harker	......	.02	.....	.....	.....
1	.39	.30	Harvey	......	.30	.....	.....	.....
1	.08½	.07½	Hayden	......	.08	.....	.....	.....
1	.05	.00½	Hilltop	12,000	.01½	.01½	.01½	.01½
5	8.70	4.60	Hollinger	4,645	5.50	5.70	5.25	5.25
1	.40	.20	Howey Gold	13,050	.34	.36	.34	.35
No	6.30	2.00	Hudson Bay	2,055	2.75	2.75	2.60	2.60
No	.40	.20	Huronian	......	.20	.....	.....	.....
No	20.50	8.12	Int. Nickel	2,468	10.00	11.00	9.75	10.00
1	.03	.00½	Jackson Manion	3,000	.01½	.01½	.01½	.01½
1	.35	.21	Keeley	200	.23	.23	.23	.23
1	.04½	.00½	Keora M.	20,000	.01½	.01½	.01	.01½
1	1.00	.27½	Kirk. Hud. Bay	1,400	.70	.70	.50	.50
1	.03	.00½	Kirk. Hunton	58,500	.01½	.02	.01½	.01½
1	.93	.38	Kirkland Lake	13,850	.54	.55	.52	.52
1	.08	.01	Kirk. Premier	500	.01½	.01½	.01½	.01½
1	.25	.05½	Kirk. Townsite	43,300	.12½	.13	.09	.10
20c	.02½	.00½	Koot. Florence	......	.01	.....	.....	.....
1	.02	.00½	La Rose	......	.01	.....	.....	.....
1	.69	.38	Lakeland	......	.42	.....	.....	.....
1	29.95	20.00	Lake Shore	2,275	28.75	29.10	28.55	28.65
1	.02	.00½	Laval	......	.00½	.....	.....	.....
1	.04	.01½	Lebel Oro	......	.02	.....	.....	.....
No	.35	.35	Locarno	......	.35	.....	.....	.....
1	.55	.10	Macassa	3,360	.37	.38	.33	.38
1	.12	.02	Malartic	5,500	.03½	.05	.04	.05
No	.15	.05	Mandy	1,500	.05	.05	.05	.05
No	.06	.01	Manitoba Basin	1,000	.01½	.01	.01	.01
1	.55	.20	McKinley	225	.30	.30	.30	.30
5	26.50	13.95	McIntyre	1,620	19.00	19.50	18.50	18.75
No	.33	.04½	McLeod River	53,500	.05	.05½	.04½	.04½
1	.04	.04	McVittie	......	.04	.....	.....	.....
1	.29	.03	MacMillan	......	.10	.....	.....	.....
1	.01½	.00½	Millcrest	......	.01	.....	.....	.....
No	2.84	1.10	Mining Corp.	1,700	1.30	1.40	1.34	1.35
1	.34	.01	Moffatt Hall	73,600	.07	.08	.06½	.07
1	.04	.02½	Moneta	......	.03	.....	.....	.....
1	.00½	.00½	Mtl. Rouyn	......	.00½	.....	.....	.....
1	.63	.20	Moss	79,650	.35½	.40	.33½	.34
1	.09	.01	Murphy	1,000	.02	.01½	.01½	.01½
No	.07½	.02	Newbec	500	.03	.02½	.02½	.02½
1	.40	.25	Nevada	......	.25	.....	.....	.....
1	.09	.02	Night Hawk	......	.02	.....	.....	.....
5	1.90	.80	Nipissing	100	1.03	1.04	1.04	1.04
No	29.65	11.75	Noranda	21,957	16.25	17.50	15.85	16.40
No	.50	.18	Nor. Canada	500	.24	.24	.24	.24
No	.03	.00½	Old Colony	......	.01	.....	.....	.....
1	.01	.00½	Ophir	......	.00½	.....	.....	.....
1	.10½	.02	Oriole	......	.02	.....	.....	.....
1	.21	.06½	Osisko	1,000	.07½	.06½	.06½	.06½
1	.25	.20	Parkhill	......	.24	.....	.....	.....
1	.15	.07	Patricia Dent	6,000	.11½	.12½	.11	.12½
1	.05	.01½	Pawnee Kirkland	2,000	.02	.01½	.01½	.01½
No	1.61	.60	Pend Oreille	800	.85	1.07	.85	1.07
1	.04½	.00½	Peterson Cobalt	500	.01	.01	.01	.01
	.25	.18½	Phoenix Molybd.	......	.25	.....	.....	.....
1	.01½	.00½	Picard	......	.00½	.....	.....	.....
1	.02½	.00½	Porcupine Crown	......	.00½	.....	.....	.....
1	.03	.00½	Potter Doal	3,000	.01½	.01½	.01	.01½
1	.45	.30	Powell Rouyn	......	.30	.....	.....	.....
1	.99	.40	Premier Gold	1,150	.60	.63	.60	.60
1	.02½	.00½	Preston E. Dome	......	.00½	.....	.....	.....
No	.29	.15	Prospectors Air's.	......	.15	.....	.....	.....
No	.25	.05½	Quemont	500	.05½	.06	.06	.06
1	.06	.00½	Ribago	21,000	.01½	.01½	.01	.01½
1	.34	.24	Rich. Rock	......	.33	.....	.....	.....
1	.15	.01½	Ritchie	13,000	.02½	.02	.02	.02
1	.04	.00½	Robb Montbray	......	.01	.....	.....	.....
1	.05	.04	Rubec	......	.04	.....	.....	.....
No	.45	.25	San Antonio	566	.32	.36	.25	.25
1	.21	.10	Seven Troughs	......	.10	.....	.....	.....
1	1.25	.40	Sherritt G.	6,250	.64	.65	.61	.63
1	.71	.36	Siscoe	30,425	.53	.52½	.50	.50½
1	.18	.01½	South Keora	4,000	.03	.02	.01½	.01½
No	.05	.01	Stadacona	91,600	.01½	.02½	.01½	.02
1	.20	.03½	St. Anthony	5,100	.12	.12	.10	.12
No	.82	.35	Sudbury Basin	2,800	.45	.45	.38	.38
1	.03	.00½	Sudbury Contact	......	.01½	.....	.....	.....
1	.03½	.00½	Sudbury Mines	2,000	.00½	.00½	.00½	.00½
No	.04½	.01	Sudbury Nickel	......	.03½	.....	.....	.....
1	.19	.07	Sullivan	......	.09	.....	.....	.....
1	1.14	.48	Sylvanite	7,050	.62½	.62	.60½	.61½
1	.20½	.04	Tashota	500	.07	.07	.07	.07
1	8.05	4.15	Teck Hughes	19,589	5.15	5.25	4.60	4.80
1	.10½	.01	Telluride	......	.01	.....	.....	.....
1	.01½	.01	Temiskaming	......	.01½	.....	.....	.....
1	.06½	.02½	Thom. Cadillac	......	.02½	.....	.....	.....
1	.02½	.00½	Tough Oakes	......	.01	.....	.....	.....
1	.63	.17	Towagmac	1,200	.25½	.30	.25	.25
No	2.65	.90	Treadwell	100	.90	1.30	1.30	1.30
No	2.85	2.40	Tri-Metals	......	2.85	.....	.....	.....
1	.15	.04	United Kirkland	......	.08	.....	.....	.....
1	.03	.01	Vacuum Gas	......	.01	.....	.....	.....
No	.86	.35½	Ventures	21,700	.50	.51	.49	.49
1	.19	.01½	Vickers	3,500	.14	.16	.16	.16
1	1.22	.38	Vipond	4,400	.44	.44	.38	.40
No	2.00	.60	Waite Ackerman	550	.75	.90	.74	.75
1	.02½	.01	West Tree	......	.01	.....	.....	.....
1	.27	.03	White Lake	400	.03	.03	.03	.03
1	.06	.01½	Wiltsey	......	.01½	.....	.....	.....
No	.01½	.00½	Windfall R.	......	.01	.....	.....	.....
	.13	.03½	Wood Kirk	......	.04	.....	.....	.....
No	3.25	1.85	Wright-Hargreaves	9,315	2.90	2.95	2.88	2.90
			WESTERN OIL STOCKS					
1	.30	.12	Acme	18,596	.16	.17	.15½	.16
1	1.89	1.00	Ajax	4,405	1.10	1.16	1.09	1.12
1	.37½	.05	Alta. Pacific	2,864	.10	.10½	.10	.10½
	.01	.01	Askalta	......	.01	.....	.....	.....
No	.25	.04	Associated	2,000	.10	.08½	.07	.07
No	.12	.02	Baltac	1,000	.04	.04	.04	.04
1	.07	.02	Black Diamond	......	.02	.....	.....	.....
1	.36	.05	Brit. Dominion	50	.06	.06	.06	.06
No	.82	.20	Calgary & Ed.	800	.35	.34	.31	.34
1	.32	.03	Calmont	1,000	.08	.09	.06	.09
1	.47	.05	Comm. Pete	700	.07½	.08	.08	.08
No	.20½	.29½	Crudome	......	.28½	.....	.....	.....
No	.60	.12	Dalhousie	200	.20	.20	.20	.20
No	.08	.01	Devenish	......	.01½	.....	.....	.....
No	.12	.01½	Dome Oil	500	.02	.01½	.01½	.01½
No	.69	.05	East Crest	1,200	.11	.12	.11½	.12
1	.05	.00½	Fabyan Pete	......	.00½	.....	.....	.....
No	.60	.05	Foothills	......	.08	.....	.....	.....
No	.18½	.02	Freehold	......	.03½	.....	.....	.....
1	.02	.00½	Great West	......	.02	.....	.....	.....
No	.17	.03	Hargal	......	.05	.....	.....	.....
No	.10	.03	Herron Pete	......	.03½	.....	.....	.....
No	.07½	.02	High Sarcee	2,550	.05	.05	.04½	.05
No	2.00	.30	Home	1,465	.40	.47	.40	.45
No	.22	.02½	Homestead	150	.05	.04	.04	.04
1	1.70	.35	Homest'd O. & G.	6,600	.45	.48	.39	.39
	.10	.09	Hylo	......	.09	.....	.....	.....
1	.08½	.00½	Illinois Alta.	10,840	.00½	.01	.00½	.00½
No	.70	.10½	Lowery	......	.18	.....	.....	.....
1	.05	.00½	Madison	100	.01½	.02	.02	.02
1	.85	.12	Mayland	......	.15½	.....	.....	.....
No	.11	.02½	McD. Segur Ex.	1,000	.03½	.03½	.03½	.03½
1	.29	.01½	McD. Segur N.	50	.04½	.03½	.03½	.03½
1	.72½	.25	McLeod	200	.45	.37	.36	.37
No	.39	.07½	Mercury	4,150	.09½	.10	.09½	.10
No	.20	.04	Merland	500	.06	.06	.06	.06
No	.38	.08	Mill City Pete	8	.10	.11	.11	.11
1	.49	.11	Model	......	.16	.....	.....	.....
1	.18	.02	Monalta	......	.07	.....	.....	.....
1	.31	.04½	Moose Mountain	1,000	.07	.04½	.04½	.04½
1	.04	.00½	New Federal	......	.00½	.....	.....	.....
No	.56	.10	Nordon	20,000	.11	.12½	.11	.11
No	.11	.02	Oil Select	6,500	.03	.03½	.03½	.03½
No	.28	.03	Okalta	500	.04½	.05	.05	.05
100	27.00	8.00	Do., pref.	24	9.00	15.00	15.00	15.00
No	.24	.05	Olga Gas & Oil	5,200	.18	.20	.18	.19
No	.28	.01	Penn. Pete	90,500	.03	.03½	.02½	.03½
1	.37½	.17	Petrol	2,734	.27	.28	.25	.25
No	.25	.07	Ranchmen's	1,925	.12	.14	.12	.13
1	.05	.01	Regent	......	.01	.....	.....	.....
No	.13	.01½	Richfield	......	.02½	.....	.....	.....
No	17.75	5.00	Royalite	267	6.25	6.50	6.30	6.50
1	.82	.10	Sarnia Oil	500	.12	.10	.10	.10
1	.06½	.01	Signal Hill	......	.02	.....	.....	.....
No	.27	.05	South West Pete	......	.10	.....	.....	.....
1	.60	.12	Spooner	1,940	.19	.20	.17	.20
No	.19	.04½	Sterling Pacific	1,000	.11	.11	.11	.11
1	.16	.05	Turner Valley	......	.10	.....	.....	.....
No	.31	.05	United	950	.08	.08	.07½	.08
1	.15½	.05	Vulcan	......	.09	.....	.....	.....
No	.05	.00½	Wainwell	......	.01½	.....	.....	.....
1	.28	.08	Waite Valley	......	.08½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transactions for Week to January 13)					
25c	.01	.00½	Bayview	......	.00½	.....	.....	.....
20c	.07½	.01	Beaver Silver	13,900	.03½	.04½	.03½	.04½
25c	.06	.00½	Bluebird	9,500	.02½	.02½	.02	.02
25c	.80	.40	B. C. Silver	......	.40	.....	.....	.....
25c	.02	.00½	Cork Province	......	.01	.....	.....	.....
1	.30	.06	Cotton Belt	......	.06	.....	.....	.....
1	.03	.02	Dalhousie	......	.02½	.....	.....	.....
1	.04	.02	Dunwell	......	.02	.....	.....	.....
1	.10	.02	Duthie	......	.02½	.....	.....	.....
1	.90	.39	George Copper	......	.45	.....	.....	.....
50c	.05	.01	Geo. Enterprise	......	.02	.....	.....	.....
1	.05½	.01½	Georgia River	76,630	.03½	.04½	.03½	.03½
1	.45	.17	Golconda	200	.22	.22	.22	.22
50c	.10	.03	Grandview	11,500	.07	.07½	.06½	.07½
No	27.50	17.00	Howe Sound	......	21.25	.....	.....	.....
1	.17½	.09	Intern. Coal	1,000	.09	.11	.11	.11
1	.02	.01	Independence	......	.01½	.....	.....	.....
1	.02	.01	Indian Mines	......	.02	.....	.....	.....
1	.43	.22	Jack Waite	......	.25	.....	.....	.....
25c	.02	.00½	Kootenay King	......	.01	.....	.....	.....
25c	.02	.00½	L. & L.	......	.02	.....	.....	.....
1	.19½	.06	Lorne Gold	148,655	.18	.19½	.16½	.18½
1	.12	.12	Los. Ang. Van.	......	.12	.....	.....	.....
10c	.05	.01½	Lucky Jim	5,500	.03	.02	.02	.02
2.50	.01	.00½	Marmot Gold	......	.01	.....	.....	.....
5	.09	.07	Metaline Metals	......	.09	.....	.....	.....
1	.05	.01	Morton Woosley	......	.03	.....	.....	.....
50c	.05½	.01	National Silver	19,700	.02½	.03	.02½	.03
50c	.10½	.03	Noble Five	22,300	.06½	.07	.06½	.06½
50c	.12½	.02	Oregon Copper	......	.02	.....	.....	.....
1	3.60	1.23	Pioneer Gold	1,940	3.50	3.50	3.40	3.40
No	.02	.00½	Premier Border	......	.01	.....	.....	.....
50c	.13	.03	Porter Idaho	1,050	.08½	.07½	.07½	.07½
No	.55	.20	Reeves McDonald	500	.30	.28	.28	.28
1	.28	.11	Reno Gold	44,650	.24	.27½	.24	.27½
1	.04	.01	Rufus Argenta	......	.01	.....	.....	.....
1	.09	.03½	Ruth Hope	6,000	.05	.05	.05	.05
1	.07½	.03	Silverado	2,600	.03½	.03½	.03½	.03½
25c	.04½	.00½	Silver Crest	3,000	.02	.02	.02	.02
50c	.05	.00½	Snowflake	......	.02	.....	.....	.....
1	.45	.25	Sunloch	......	.25	.....	.....	.....
50c	.02	.01	Topley Rich	......	.02	.....	.....	.....
5	.20	.05	Toric	......	.05	.....	.....	.....
20c	.02	.00½	Wellington	2,000	.01	.02	.02	.02
1	.08	.02	Whitewater	......	.05	.....	.....	.....
No	.03½	.00½	Woodbine	......	.01	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	3.54	Noranda	50c.	3.04
Dome Mines	$1	10.00	Premier	12c.	....
Granby	50c.	....	Pioneer, B.C.	12c.	3.53
Hollinger	65c.+5	13.33	Royalite	50c.	....
Howe Sound	$2	....	Spooner Oils	6c.	....
Inter. Nickel	20c.	2.00	Sylvanite	4c.	....
Lake Shore	$2+50c.	8.71	Teck Hughes	60c.+5	13.54
McIntyre	$1	5.33	Wellington Oil	5c.	....
McLeod Oils	5c.	....	Wright-Har	10+2½c.	4.31
Mercury Oil	5c.	....			
Model Oils	9c.	....			

a. Stock bonus 1 Share for each 20 shares held.

CONSOLD. MARINE

Represents Merger of Marine Activities in Quebec

Consolidated Marine Companies, formed in 1930, represents a merger of Manseau Shipyards, Ltd.; General Dredging Contractors; Sorel Mechanical Shops and Beauchemin and Fils, Ltd. These four companies are closely allied in the marine, dredging, and construction business.

An important change in the corporate setup of the company was effected recently when Beauchemin and Fils was entirely reorganized under the name of Sorel Steel Foundries. The Beauchemin Company had been operating for the past 80 years; under the new regime complete modernization of plant and equipment will take place to care for the many new lines which it is planned to add to the company's output.

The nature of Consolidated Marine's work is seen in its contracts. In 1930 its subsidiary General Dredging was awarded one of the largest dredging orders given out in recent years, comprising completion of the 35-foot ship channel between Montreal and Quebec. Another substantial contract included the dredging work in connection with establishment of Lucerne-in-Quebec.

T. E. Bissell Co.

E. Bissell Co., which has been in the business of manufacturing and marketing farm implements at Elora, Ont., since 1894, makes as its principal product disc harrows. It manufactures as well mulcher packers and steel land rollers and has been pushing recently a lever spring tooth cultivator and a new tillage tool for use of market gardeners from which a good continuous business is expected when farmers begin buying again.

Under present conditions in the farm implement business, payment is not being made on preferred and common shares.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. conv. ($100 par)	$300,000	$201,800
Com. (n.p.v.)	†20,000 shs.	10,165 shs.

†Of the remaining unissued common stock, 6,054 shares are held for issue on conversion of preferred stock.

Dividend Record—
Preferred—Entitled to 7 per cent cumulative, payable quarterly, Jan., April, July and Oct. 1. Initial payment of $1.75 made Oct. 1, 1928. Paid regularly thereafter to and including Jan. 1, 1931. Payment due April 1, 1931 passed. None since.
Common—$2 per annum, payable Jan., Apr., July and Oct. 1. Initial dividend of 50c. paid April 1, 1929, and quarterly to and including Oct., 1930; since passed.

Officers and Directors—
Officers—H. C. Hatch, pres.; S. R. Mackellar, vice-pres.; R. W. Gouinlock, treas.; T. C. Wardley, sec. and gen. mgr.
Directors—H. C. Hatch, Toronto; T. C. Wardley, Elora, Ont.; S. R. Mackellar, R. W. Gouinlock and Ward Wright, K.C., Toronto, Ont.

Earnings per Share and Dividend Record:

Year End. May 31:	1931	1930	1929
Pref.: Earned	...	$14.94	$31.68
Paid	5.25	7.00	7.00
Common: Earned	...	1.48	*6.17
Paid	1.00	2.00	0.50

*After deduction of a full year's dividend on preferred.

Market Record—

	1931 H	1931 L	1930 H	1930 L	1929 H	1929 L
Com.	4	2	22	14	51	21
Pref.	..	..	97	88	150	94½

Sawyer-Massey

Sawyer-Massey Ltd. manufactures road making machinery, saw mill machinery, threshers and other products in Hamilton, Ont. Public interest is confined to 6,500 shares of preferred stock, issued at the time the present company succeeded its predecessor of the same name. No annual report is published.

Capitalization—	Authorized	Outstanding
Common	50,000 shs.	50,000 shs.
No par value.		

Funded Debt—
First mortgage bonds, 6%, due 1942, outstanding, $600,000.

Officers and Directors—
Officers—T. A. Russell, pres., H. R. Malley, vice-pres. and gen. man., G. R. Cottrelle, vice-pres., H. R. Gillard, sec.-treas.
Directors—T. A. Russell, G. R. Cottrelle, C. J. Harris, J. F. Lash, J. B. Warnock, Toronto, H. H. Champ, H. R. Malley, Hamilton.

Milton Brick

Investment interest in Milton Brick Co. is confined to the 6½ per cent first mortgage bonds on which interest was not paid when due on October 1, 1931. The company has never issued a financial statement, but it is understood that cash position is weak.

Capitalization— Authorized Outstanding
Par $100.

Funded Debt—
6½ per cent first mortgage sinking fund bonds, due 1930, 1935, 1940; outstanding $255,400.

Officers and Directors—
Officers—J. S. McCannell, pres.; F. R. McCannell, vice-pres.; W. J. McKenna, sec.
Directors—J. S. McCannell, W. J. McKenna, Toronto; F. R. McCannell, Milton, Ont.; W. S. Kerman, Mary C. McCannell, J. D. McCannell, Toronto.

Ditchburn Boats

Ditchburn Boats Ltd. designs and constructs various types of motor boats, ranging from small craft to ocean-going cruisers. Government work has brought in some business, but demand has been small for pleasure crafts. The company has not yet issued an annual statement for 1930.

Capitalization—	Authorized	Outstanding
Pref. 7% cum. Par $100.	$200,000	$104,800
Common, n.p.v.	*50,000 sh.	39,987 sh.

*8,000 shares of common reserved for conversion of preference shares.

Dividend Record—
Preferred—7 per cent per annum, cumulative, payable Jan., Apr., July and Oct. 15. Paid regularly to July 15, 1930; since passed.

Officers and Directors—
Officers—H. Ditchburn, pres. and mgr.; Col. LeGrande Reed, vice-pres.; A. W. Ditchburn, treas.; W. H. Emmett, sec.; A. H. Hawker, supt.; T. Greavett, sales mgr.
Directors—H. Ditchburn, Gravenhurst, Ont.; J. S. Playfair, Midland, Ont.; Col. LeGrande Reed, R. H. Coombs, Roy D. Kerby, E. G. Robinson, Toronto; R. P. Powell, Los Angeles, Calif.

Dominion Steel Reopen Sydney Furnace Units

From Our Own Correspondent

MONTREAL. — Commencing next Monday Dominion Steel and Coal Corp. will relight four furnace units of the open hearth department at the Sydney steel plant and will maintain operations on a single shift for a fortnight, according to H. J. Kelley, general manager.

The blooming mill and billet mill will also swing into operations, rolling ingots for the open hearth and stock for the bar, rod and wire departments. Added activity will result in the employment of some 150 men, bringing the working force of the plant up to 750, averaging from three to four days work a week.

CAPITAL TRUST REPORTS GROWTH FOR PAST YEAR

Profits Were Equal to 8.5 Per Cent on Capital

From Our Own Correspondent

MONTREAL.—Increases in savings deposits, the number and value of estates into agencies, and a gain in net profits are features of the financial statement of Capital Trust Corp. of Ottawa for the year ended December 31, 1931.

Net profits for the year were $69,253, or the equivalent of 8.50 per cent on the average paid up capital during the year. This compares with $57,585, or 8 per cent reported in 1930. A dividend of 5 per cent was distributed, as in the previous year, and after larger provision for reserve a balance of $56,150 was brought forward, an increase of about $7,000.

Savings Show Gain

The amount placed in the savings department by the general public advanced to $5,524,615 compared with $5,146,249 in the previous year while the increase since 1929 totals $813,000. There are issued $3,463,608 in guaranteed investment certificates, a gain of $354,000 over 1930.

The inventory value of estates and agencies under administration totals $9,527,228, an increase of $389,000 over the previous year. Guaranteed investment accounts show dominion and provincial bonds at $925,776, an increase of $400,000, while cash is lower by some $92,000 at $58,785. Call loans, which in 1930 totalled $258,058, are eliminated from the last report.

Mortgages Are Higher

Mortgages, with interest due and accrued, are carried at $4,540,053 compared with $4,212,404. Total assets, including estates and agencies under administration, now amount to $16,156,621, an increase of about $938,000 for the year. During 1931, the company was appointed trustee for new bond issues of $1,791,000.

Liquid Assets Off

Quick liquid assets, consisting of government bonds, demand loans and cash on hand, totalled $1,297,599. This was 63 per cent of savings payable and compared with $1,344,663 shown in the previous report.

During the year an additional $136,000 of capital stock was subscribed for, making a total subscription of $961,800 of an authorized $2,000,000. Of the stock subscribed for $852,300 is fully paid and $19,535 is partly paid.

Order for Dom. Bridge Looms on Horizon

From Our Own Correspondent

MONTREAL—Dominion Bridge Co. shareholders, who hope that the company may secure some important tonnage in construction with the proposed bridge across the St. Lawrence, between Lachine and Caughnawaga, have been encouraged by the report that plans have been forwarded to Ottawa for final consideration.

The bridge in question would involve about 4,000 tons of structural steel and the fact that one end would be in close proximity to the Lachine plant of Dominion Bridge Co. is considered a favorable feature in possibilities of the company securing a major share of the contract.

Shares of Dominion Bridge have been actively traded in recently though they have failed to move above the minimum price of 27.

Established 1889
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

Hodgson Bros. & Co. Limited
Formerly Hodgson Bros. & Dunton Limited
INVESTMENT SECURITIES
240 St. James St., Montreal

MILLAR, MACDONALD & CO
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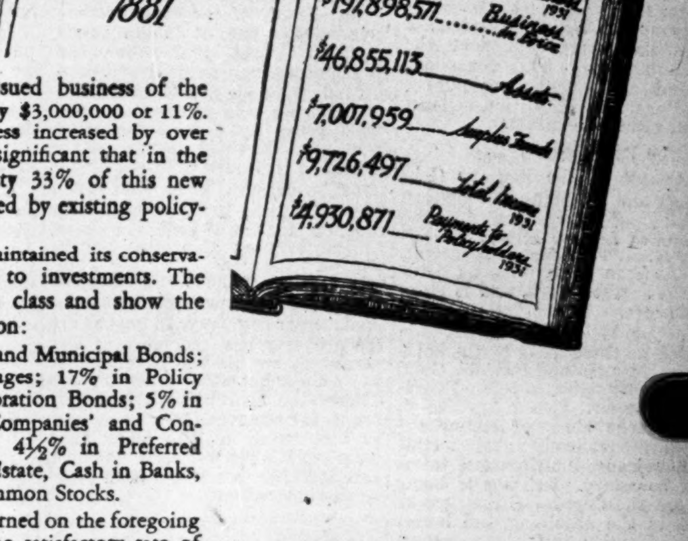
INCREASED BUSINESS FOLLOWS MUTUALIZATION


Commenced Business 1881
51st year
$29,747,243 New Business 1931
$197,898,571 Business in Force
$46,855,113 Assets
$7,007,959 Surplus Funds
$9,726,497 Total Income 1931
$4,930,871 Payments to Policyholders 1931

In 1931 the new issued business of the Company increased by $3,000,000 or 11%. The paid for business increased by over 15%. It is especially significant that in the first year of mutuality 33% of this new business was purchased by existing policyholders.

The Company has maintained its conservative policy in regard to investments. The assets are of a high class and show the following diversification:

29% in Government and Municipal Bonds; 29% in First Mortgages; 17% in Policy Loans; 13% in Corporation Bonds; 5% in Bank, Loan, Trust Companies' and Consumers' Gas Stocks; 4½% in Preferred Stocks; 2% in Real Estate, Cash in Banks, etc.; ½ of 1% in Common Stocks.

The average interest earned on the foregoing investments was at the satisfactory rate of 5.92%.

The Company holds assets of $118 for every $100 of liabilities. The large surplus funds of the Company, exceeding $7,000,000, along with the substantial investment reserves maintained, place it in a position of great financial strength and give assurance of continued satisfactory dividends to policyholders.

Payments during the past year to policyholders and beneficiaries amounted to $4,930,871, bringing the total so paid since commencement to $58,293,654. The total amount of dividends paid to policyholders exceeded that of the previous year by 10%.

As sole owners of the North American Life the policyholders have every reason to congratulate themselves on the splendid position of the Company and the outstanding achievements of the year.

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Head Office Toronto, Canada
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A MUTUAL COMPANY
ALL PROFITS PAID TO POLICYHOLDERS

Canadian Mining News

PASCALIS FIELD IN N.W. QUEBEC HOLDS INTEREST

Large Companies Undertake Extensive Development Programmes

DRILLING ACTIVE

Pascalis Gold Mines Merges Original and Adjoining Finds to Aid Developments

Greater activity centres around the development of gold properties in northwestern Quebec than any section in Canada today.

Three years ago Quebec had no commercial gold producers, other than Noranda which was primarily a copper property. Today Quebec is second in the Dominion while Noranda's production of gold exceeds that of its copper and it is Canada's fourth largest gold producer. Three years ago Siscoe Gold Mines inaugurated production and was the first exclusive gold producer in northwestern Quebec. This was followed in 1930 with the inauguration of production by Granada-Rouyn in Rouyn township. In Cadillac township the O'Brien Mines has been steadily shipping high-grade ore and is now arranging for the construction of a mill.

From the Rouyn district, which has been the centre of exploration and development in the past few years, the centre of activity has shifted to Pascalis and Louvicourt townships, about 70 miles east of the Noranda Mines.

Interest in this section was aroused in September, 1930, by a find of Wm. Smith working for a Toronto group. Following this discovery there was an influx of prospectors into the area and now some of the larger companies have substantial holdings.

Noranda Has Four Groups

Noranda Mines now owns four groups of claims centred about the corners of Pascalis, Louvicourt, Senneville townships. On the Matthews option, located on the boundary line between Pascalis and Senneville townships, Noranda has been conducting diamond drilling as well as surface work. On the Cockshutt-McLeod claims surface work is being conducted. Surrounded by Noranda's holdings the original find now held by the Pascalis gold property, is being subjected to an aggressive exploration programme. Just recently this original staking, consisting of 12 claims, was merged with the Venture's claims on the north and the Willian's claims on the west, now under option to Prospectors' Airways and Mining Corporation. The consolidation of these three properties was effected through the Pascalis Gold Mines, which has an authorized capitalization of 3,000,000 shares. While the terms of this merger have not been announced, it is expected that approximately 1,000,000 shares will be issued for the three properties. The balance will be used for financing.

The greater part of the development on the consolidated claims has been on the site of the original find. Here three veins have been exposed and considerable work done, including 3,800 ft. of diamond drilling. On the Venture's claims some rich showings have been exposed on the surface. On the westerly group or Willian's claims, a rich strike is reported near the western boundary. This consolidation and subsequent development has increased the hope that at least a small mine will result.

Le Roy Mines Active

Southwest of the Pascalis Gold holdings and adjoining the western boundary of Louvicourt are the holdings of Le Roy Mines, controlled by N. A. Timmins, of Montreal, who has been doing diamond drilling and surface work, and is sinking a shaft.

The Coghlan-Gibeau claims, surrounded on three sides by the holdings of Noranda and Pascalis Gold, were recently optioned to the Treadwell-Yukon Co. This group ties on to the large block of claims optioned by Treadwell-Yukon astride the Louvicourt-Bourlamaque townships boundary. Drilling is being done on the Coghlan-Gibeau group while on the adjoining and larger block of claims sufficient encouragement was met with in surface work and diamond drilling to warrant the sinking of a three-compartment shaft.

Dome Option Claims

Dome Mines has optioned a group of claims in Louvicourt township and proposes doing some exploration work.

The Homestake Exploration Co., a subsidiary of the Homestake Mines in South Dakota, did some samplings on some of the Treadwell-Yukon claims last summer. The site of the samplings, however, was some distance removed from where development work is now concentrated. The old Caribou Copper claims, now known as the Cummings-Drouin group, are being examined by American interests.

Access to this section is from Senneterre, on the Canadian National Railway, thence south by a water route to Lac Tiblemont and Lac Pascalis. An alternative water route is south from Amos, on the Canadian National Railway, via a chain of lakes and the Harricana River.

Report is Issued On Manitoba Area

A summary report has been issued by the Department of Mines, Ottawa, describing the mineral occurrences in the main prospecting belts in northwestern Manitoba, extending eastwards from the Sherritt Gordon and Flin Flon mines to the Hudson Bay railway.

The report contains notes relating to the field work by the geological survey in Saskatchewan and in the Northwest Territories.

Application to the director of the Geological Survey, Department of Mines, Ottawa, will ensure a copy of the report.

Howey Has Successful Year Development Plan Gradual

Howey Gold Mines has just completed a most successful year with a production valued at close to $865,000. In addition, there is a premium earned on production in the past three-and-a-half months which has ranged from 10 to 24 per cent.

This production compares with $460,428 in the nine months of operation in 1930. The average recovery has been approximately $4.20 in gold per ton of ore or about the same as in 1930.

At the mine it has been a year of accomplishments: costs have been reduced; ore reserves increased; debts reduced and the foundation laid for still lower costs and greater production.

The marginal nature of the company's ore has demanded a most efficient practice in order to show a profit. From a total operating cost of $4.25 per ton in 1930 the costs were reduced in the first nine months of the current year to $3.87 while current costs have been reduced to between $2.50 and $2.75 per ton, with further economies in sight. On December 31, 1930, loans and accrued interest amounted to $596,600 to the company's vice-president. This was reduced to a principal amount of $400,000 at the end of 1931.

Contrary to general depression the company has been carrying on a limited development programme involving an expenditure of between $5,000 and $6,000 per month. This programme has ensured the company at least three years supply of ore at present capacity above the 1,000 ft. level. In recent weeks, developments have been centred on improving the 1,000 ft. level preparatory to electric locomotive haulage which was inaugurated on January 15. Starting about the end of this month a winze will be sunk from the 1,000 ft. level to an objective of 1,350 ft., and two new levels established at 175-ft. intervals. It is not planned to rush this work, as there are no pressing needs, and the work will be carried on over a period of months as part of an accepted development programme which will not interfere with production. When the winze has been sunk, crosscuts will be driven toward the main shaft and raises put up that will affect shaft deepening in a most economical manner.

Good Ore on 1,000-ft.

The 1,000-ft. level has shown itself to be the best in the mine by a considerable margin both with respect to grade and width which has averaged close to 30 ft. Work now calls for extending developments at the east end on this level. It is not planned to make any capital expenditures of importance during 1932. An old hoist used in development work will be utilized in sinking the winze.

At the present time about 900 tons of ore are being hoisted daily. From this hand sorting reduces the amount treated by the mill to about 800 tons daily.

MINING INTERESTS MAY RESUSCITATE BEARDMORE GOLD

New Group to Attempt Further Development For Large Share

A group of mining men have an agreement to develop the Beardmore Gold Mines and bring it into production, getting control of the property when all terms of the property have been fulfilled.

The group plans a diamond drilling programme if sufficient funds can be raised.

Last year in an attempt to refinance, the company reduced its capitalization from $5,000,000 to $2,500,000, shareholders receiving one share for each two shares held. The balance of the treasury was to be used to raise further funds but with the death of Fred C. Sutherland, vice-president and fiscal agent of the company, all financing and development work ceased. The present arrangement calls for the interested group doing certain work and bringing the property into production if conditions warrant such action. In consideration of this work a major interest in the property is secured.

Always More Funds

If the diamond drilling confirms values at depth it is proposed to recommend the construction of a 50 or 100 ton mill. As far back as June, 1928, shareholders of Beardmore were told at an annual meeting that between $400,000 and $500,000 in ore had been practically blocked out. In March, 1930, at another annual meeting shareholders were told that arrangements were being made to raise $55,000 to provide funds for the immediate erection of a mill.

The history of the company has been always one of "more funds required." Last year when the company was reorganized additional funds were sought. This attempt at financing was preceded in previous years by a first mortgage bond issue, of which approximately $80,000 is still outstanding with interest in default. This bond issue, due next year, is convertible into common stock at 65 cents per share. In the original financing of the company the vendors of the property received $40,335 and 2,600,000 shares of treasury stock in the predecessor company. In past years the property has had more or less persistent but limited development work done, but after several years efforts the shareholders feel they are as far removed from a producer as they were in 1928 when they were told that between $400,000 and $500,000 in ore had been practically blocked out.

NEW GOUDREAU NOW FINANCING BY WARRANTS

Effort Being Made to Resuscitate Old Gold Mine

A further attempt is being made to finance the New Goudreau Gold Mines, by an offering of two-year convertible, option-bearing warrants, by Goldman & Co., of Toronto.

The present capitalization of the company consists of 1,000,000 shares of no par value, of which 495,931 are issued; also outstanding bonds amounting to $270,000. Bondholders have waived all rights under the mortgage for two years from Jan. 1, 1932, to assist in raising additional funds.

The warrants are convertible at option into common shares of the company on the basis of ten shares for each $1 in warrants held.

The company owns a gold property consisting of 534 acres, four miles west of Goudreau station on the Algoma Central Railway, which has been under development intermittently for many years, the last work being done in 1930 by a group that had an option on the property and intended to form a new company. A 50-ton mill was installed in 1924 but not placed into regular service.

The property was formerly owned by the Porter Gold Mines. In 1921 it was succeeded by the Goudreau Gold Mines, which in turn was succeeded by the present company in 1928.

Moss Gold Mines Mill About ready

Officials of Moss Gold Mines state that the finishing touches are now being placed on the company's new mill. Commercial operation is expected at an early date.

Due to transportation problems considerable delay was experienced in the delivery of the mill equipment. A new road had to be cut at some points on the circuitous route from the railway, all of which served to delay operations. The mill incorporates all modern practice and will be operated by steam power, from the company's own power plant.

COPPER HISTORY BEING REPEATED SAYS MINE HEAD

A. Chester Beatty Alludes Reassuringly to Copper's Future

The attempt of the copper producers' association to adjust production more in tune with consumptive requirements and thereby bring about a gradual upward revision of prices has had the effect of strengthening quotations for electrolytic copper from a low of 6½ cents per pound to a current price of 7½ cents.

In a recent address before the New York section of the American Institute of Mining Engineers, A. Chester Beatty, chairman of the board of the Rhodesian Selection Trust, and extensively interested in the Rhodesian copper field, alluded reassuringly to the future of the copper industry. He traced the vicissitudes in the industry from the earliest finds in Egypt through the threatening over-production from the mines in the Sinai peninsula, centuries ago.

Mr. Beatty quoted an excerpt from an article written in 1922 by Cornelius F. Kelly, president of the Anaconda Copper Mining Co., which from the tone might well be applied to conditions today.

The comment was as follows:

"In physics, we were taught the laws of the composition of concurrent forces, and the truths derived from such study have application in finance and industry. Granting that there must be a composition of forces which at the moment seem conflicting, and to the timid presage disaster, the inevitable result will be along the line of progress, and if so, there can be no doubt of the future of the mining industry, particularly that branch devoted to copper mining and manufacture.

"If you are a bull on the future of the world, then be a bull on the copper industry. If you are unwilling to hazard a conviction that the world is to go ahead, there is no reason why you should have a conviction about anything; and more particularly there is little reason why such a conviction would be of interest to anybody.

"The copper industry will come into its own again, and that speedily, when business resumes. There has been under the conditions a demand out of proportion for that of other commodities. Under these conditions let us take heart. Civilization will soon be calling on the miner to pick up his tools, and we shall be on our way to the activity and prosperity we so eagerly anticipate."

New Bralorne Mill Ready to Operate

Bralorne Mines, operating the old Lorne Gold Mines property in the Bridge River section, British Columbia, has completed its new 50-ton mill and is now engaged in tuning up preparatory to starting production.

Last year the Bralco Development & Investment Co. agreed to finance the property to production in consideration of 60 per cent interest and the repayment of certain advances. The Bralorne Mines was formed to hold title to the property.

Particular interest centres around the property as it is adjacent to the Pioneer Gold Mines of B. C. which has been making such a good showing the past year.

LAKE SHORE VEIN NOW IMPORTANT TO KIRK. HUDSON

Easterly Extension No. 1 Striking Into Adjoining Property

From Our Own Correspondent

KIRKLAND LAKE.—One of the major developments in the Kirkland Lake gold area has taken place quietly on the Lake Shore mine on the south or No. 1 vein. This vein at surface runs into a fault to the east of the main workings. On surface, the continuation of the vein to the east is thrown about 160 feet north, and for that reason, was not developed extensively toward the east. The fault in question comes onto Lake Shore from the southwest corner of Wright-Hargreaves and runs in a southwesterly direction through Lake Shore. This fault, however, instead of being vertical, has a quite sharp dip to the east. This means that as greater depth is reached in development, the farther it will be possible to drift on the No. 1 vein of the Lake Shore before encountering the fault. It was early recognized that the strike of the vein was toward the northeast part of the Kirkland Hudson Bay property, in event of the dip of the fault permitting the vein to continue that far without interruption.

It was only at such time as interests associated with control of Lake Shore had also secured control of the Kirkland Hudson Bay that drifting at the 2,700-ft. level of Lake Shore was started toward the east on the No. 1 vein. This drift was continued along the vein to within a few feet of the Kirkland Hudson Bay line before encountering the fault at the 2,700-ft. level. This means that at about 3,200 feet in depth the dip of the fault may permit Kirkland Hudson Bay to share in the ore, with the length on Kirkland Hudson Bay gradually increasing below that horizon.

The important part of the development to Lake Shore is that the vein has an average width of about 15 feet and that the ore carries an average of about $20 in gold per ton of ore. There is a length of about 700 feet of this ore disclosed at the 2,700-ft. level. The indications are that possibly $2,000,000 may occur in each 100 feet vertical of this newly developed ore shoot, thereby suggesting a very large increase in the proven and probable ore resources of the Lake Shore mine.

WINDING UP ORDER GIVES A WINDFALL TO OLD INVESTORS

Sirdar Gold Mining Held $4,800 in Unclaimed Bank Deposit

An unexpected windfall will soon reach the investors in one of Canada's earliest gold mining ventures with the winding up of the Sirdar Gold Mining Co. Ltd.

In a recent list of unclaimed bank deposits it was discovered that Sirdar had approximately $4,800 to its credit. This announcement attracted the attention of one of the shareholders who applied for a winding-up order and now this remaining asset will be distributed pro ratio to shareholders.

The company was incorporated with an Ontario charter in 1899 to develop a gold prospect in the Rainy River district of Ontario. It had authorized capitalization of $1,000,000 in $1 par value shares of which approximately 700,000 were issued. Of these, about 570,000 shares were paid up. The last return was made to the Ontario Government in 1914 and since that time all of the known officers of the company have died. At the time last active interest was shown in the company it had about $3,000 on deposit. This has accumulated to the present figure which will mean that shareholders will get slightly less than one cent per share on presentation of their old certificates.

Henry J. Welsch, 59 Yonge St., Toronto, was appointed permanent liquidator by Mr. Justice Logie and any funds remaining through certificates not being presented will be held in the custody of the court for claimance.

Old Stocks Tell Tale

There is evidence stored away that there are thousands of old certificates, representing substantial investments in companies long since out of existence. Not long ago a broker died in New York who made his livelihood by acquiring shares in inactive companies to which there was thought to be no value. Just as in the case of Sirdar Gold Mining, there are deposits and other assets in forgotten companies to which there are no claimants. Many of these old shares are valuable as they are transferable into shares of companies that are now profitable.

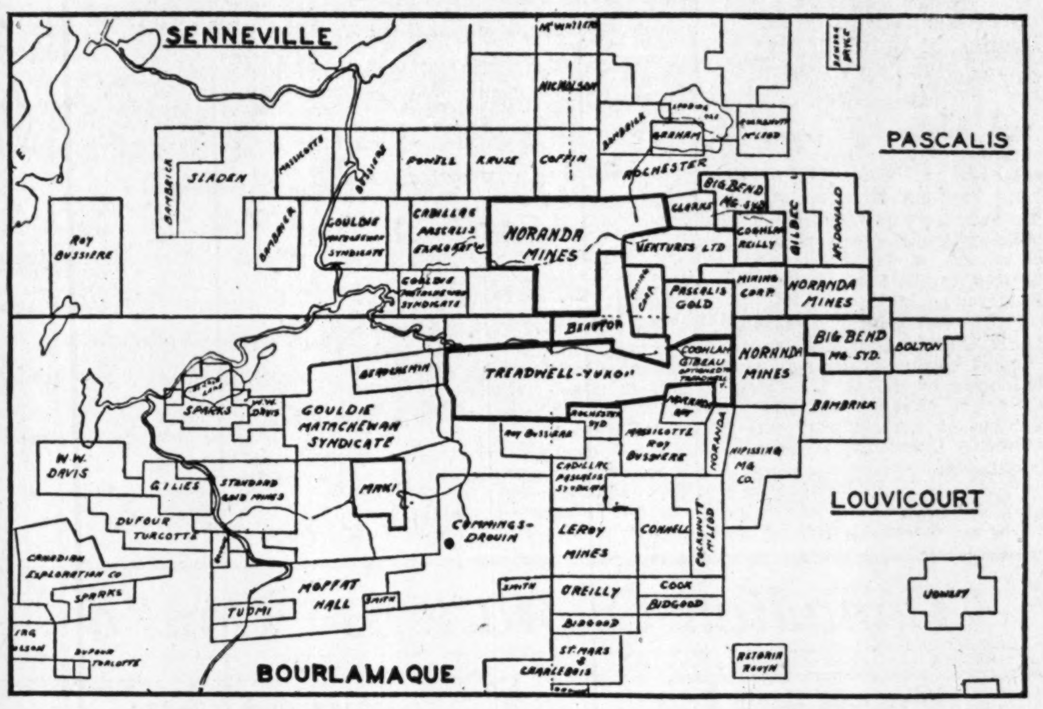
The Financial Post has just published a booklet containing the names of approximately 3,000 inactive and extinct mining companies. Nearly all of these names tell a story of someone's fond hope of making a fortune in a mining speculation. In some cases the shares of these dead companies are valuable as they are convertible into shares of going concerns.

McIntyre Net Earnings Gain Last Quarter

Quarterly earnings of McIntyre Porcupine Mines for the three months ended December 31 totalled $671,490, before depreciation, according to official figures. This compares with $543,598 in the quarter ended September 30, and $461,471 in the quarter ended June 30. Earnings for the nine months of the company's fiscal year, which ends March 31 next, was $1,676,559 as compared with $1,570,818 in the same period of 1930.

Earnings before depreciation are equivalent to a rate of $2.80 per share for the entire year, as compared with $1.62, after write-offs, in the previous year.

Pascalis Gold Finds Arouse Interest



More than usual interest centres around the gold finds in Pascalis and Louvicourt townships, Quebec. Since the original find was made a year ago last fall by Wm. Smith, on what is now the Pascalis Gold Mines claims, several large companies have acquired extensive holdings and are conducting development work. The Treadwell-Yukon, which owns a large group of claims, is sinking a three-compartment shaft.

Should Mining Profits Be Disbursed as Earned?

Third of Series of Articles on Results of Policies Followed by Leading Canadian Mines

No. 3, Hollinger Con. Gold Mines

In two previous articles the question of disbursements of earnings to shareholders has been discussed. The question arose on the point whether investors were entitled to a major portion of the earnings subject to reserves for contingencies, or whether company's officials should apply a certain portion of its earnings in an exploration effort in order to perpetuate its existence as a mining enterprise after the depletion of its original property.

In this series of articles it has been our object to show what have been the policies of different companies with respect to exploration and the use each made of its earned surplus not distributed to shareholders.

Hollinger Consolidated Gold Mines is Canada's largest gold producer, paying in dividends to date close to $60,000,000. While being liberal in its disbursements of earnings, it has maintained a moderate exploration staff in the search for new properties of merit which would serve to peretuate the company's existence as a mining enterprise after its present operations were depleted.

No Mines Found

While Hollinger has been active it has not spent such huge sums on exploration as have some other mining companies, neither has it been rewarded with any discoveries that bore indications that a profitable mine might result.

The most advanced step taken by Hollinger in new developments was in 1926 when it purchased an 87 per cent interest in a copper prospect in the Kamiskotia district of Ontario, about 17 miles west of the Hollinger mine. This interest was acquired at a cash outlay of $250,000 and at the end of 1930 the expenditure on these claims totalled $400,980. Very little was added to this cost in 1931 since no work was conducted. Thus it can be seen that for all Hollinger's exploration work it has a copper property, which at the present time has little economic importance. About one million tons of copper ore, averaging 3 per cent copper has been indicated. Fortunately for Hollinger no further commitments were made on this property, owing to the lack of railway transportation. Overtures were made to the Ontario Government in 1928 and 1929 for the extension of the T. & N. O. Railway into the area. Upon assurance that the railway would be built, Hollinger proposed to construct a concentrator. Owing to the failure of the Ontario Government and Hollinger getting together as to how the cost of such a railway should be shared, construction was deferred. In view of recent developments in the copper industry, it was fortunate for both Hollinger and the T. & N. O. that the project was not proceeded with. Ultimately this property will doubtless assume importance but at the present time the outlook is dark.

In addition to the work on the Kamiskotia claims Hollinger has written off $150,000 in the past three years for expenditures on abandoned properties. It will be thus seen that after 22 years operations as a successful mine, its exploration effort has not resulted in finding a property that has any semblance of profitable operations.

Since 1916 Hollinger has operated as a consolidation of several properties. The policy of the company in not disbursing its entire earnings as dividends enabled it to purchase, through shares and cash, the holdings of the Acme Gold Mines, Millenton Gold Mines and the Canadian Mining and Finance Company. With the addition of these properties and the purchase of the Schumacher Gold Mines in 1922, at a cost of $1,631,676, Hollinger was able to expand in a manner which has permitted it to produce more gold than any other mine in the Dominion.

While the policy of Hollinger, in conserving a large percentage of its earnings, has enabled it to expand and enjoy the important position it does today, it has experienced misfortunes during the past two years by pursuing this policy and making investments.

Formed Investment Co.

In 1929 the company formed the International Bond and Share Corp. an investment company to take over and manage the undistributed earnings then valued at close to $12,000,000. At the time of the formation of this subsidiary investment company, Hollinger's holdings were principally in gilt edged bonds but were later converted — principally into common stocks. With the severe shrinkage in market valuations of stocks this earned surplus has had a corresponding shrinkage and while no official figures are available it is understood that the current market value of the company's holdings is about one-half of that at the time the subsidiary was formed in 1929.

The action of Hollinger officials in building up an earned surplus of close to $12,000,000, instead of disbursing it to shareholders, exemplifies the risk assumed when a mining company accumulates a liquid asset beyond an adequate amount required for its normal operation.

Hollinger is the outstanding example in Canada of a company building up a huge surplus, without any stated purpose in mind. Its unfortunate investments have caused great losses to its shareholders. The experience of Hollinger both in its exploration policy and in its policy of not disbursing the greater proportion of its earnings, increases interest in the question of whether the earnings of a mine over a given period should not be disbursed to the shareholders of that period, and thus remove the temptation of mine officials to speculate in the company's earnings.

ENGINEERS SEEK ONT. LEGISLATION FOR REGISTRATION

Plan to Cull Unqualified and Undesirable Element From Profession

The Association of Professional Engineers of the Province of Ontario will seek legislation at the next session of the Ontario Legislature to give its members the same rating now enjoyed in eight other provinces in the Dominion.

The new legislation will make for the compulsory registration of all engineers practising in Ontario and only such engineers as are qualified will be admitted to the Association. The new legislation is regarded as being of prime importance, as in the first place it is a step to protect the public from unqualified engineers, giving the same protection as is enjoyed in other professions. One branch of engineering, land surveying, has for years had compulsory registration similar to that obligatory for doctors, dentists, and lawyers. The new act will put teeth into legislation inaugurated in 1922, which in effect amounted to voluntary membership.

Drive Out Unqualified

The amendments now being sought to the existing legislation will give jurisdiction to the respective branches of engineering through the Association of Professional Engineers. If an applicant for membership is a qualified engineer irrespective of whether he has a university degree or not, and is, in the opinion of the council, desirable, he is admitted to membership. It is not intended by the new legislation that any qualified engineer now practising be barred from the association; if he is capable and desirable he is obliged to become a member to practise. In effect, the new legislation is designed to drive out of the respective engineering branches those who are not qualified to practise or those who, although qualified, have questionable ethics.

As the legislation now stands, an engineer from Ontario cannot go into other provinces and make reports. The new legislation will have the effect of putting Ontario on the same basis as the other provinces permitting a free intercourse between provinces.

Opposition is Reported

Ontario has lagged behind the other provinces in giving a professional rating to its engineers owing to the Drury Government, in 1922, declining to accept the legislation then sought, terming it "class legislation."

Some opponents of the new legislation fear that the delegation of the control of the respective groups of engineers through the association will bar, in the future, the eligibility of other than college graduates to the association, also that foreign engineers will be barred from practising in Ontario. As the act now drafted stands it will rest with each branch of engineers in the Association of Professional Engineers to dictate who will become its members in the future. The qualification of membership is competency and integrity and the eligibility of the applicant will be passed on by a council of three—one a Government nominee—and thus in the future the association will be built up to enjoy the same status as professional engineers in other provinces and those in most of the states in the United States.

Tailings

Imperial Oil which has been the most active company in drilling activities in Alberta has now reduced its operations to one drilling rig. Lethbridge No. 1 well, being drilled west of Lethbridge, is continuing drilling and on Jan. 16, was at a depth of 4,493 ft. Casing has been lowered to a depth of 4,466 ft.

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Blue Diamond Coal Co., a subsidiary of McIntyre-Porcupine Mines, has exchanged some of its coal leases in Alberta for others in order to consolidate into one group its principal holdings. Blue Diamond held numerous leases scattered in the Smoky River and Sheep Creek areas in the Peace River area. In order to develop these leases economically it was imperative that they should be consolidated.

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A recent press despatch referred to a 42-pound sample being sent to Ottawa for assay which gave a return of over $40,000 in gold. It is clear that this was an error since a ton of gold at $20.67 per ounce has a value of $661,440, i.e., 42 pounds has a value of $8,681.40.

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Siscoe Gold Mines will publish its annual report at an early date. The company's progress during the past year is such that some information is expected at the annual meeting on the proposed plan for mill extension.

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Surface work is being conducted on the Kozak property in the South Goudreau field, by the United States Smelting, Refining and Mining Company. Interest in this area is being revived and a number of claims have recently been taken up. The Algoma Central Railway owns a considerable property in this section and the recordings are through the railway company's offices.

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Bobjo Gold Mines is interested in the Great Bear Lake area, having acquired 15 claims following the visit of Robert Jowsey the company's president, to the area last summer.

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Water mining lots in the vicinity of Gordon Island, Lake of the Woods area, Ontario, near the Sultana Mine, are to be drilled this winter through the ice, according to reports from Sudbury.

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The Ridout-Cunningham Mines, which has been inactive for several years, is reported to be further exploring its holdings in Cunningham township. Developments in the Swayze area have created renewed interest in that section and many old properties are receiving further attention.

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Radium finds are now reported from the vicinity of Espanola, west of Sudbury. With the mill nearing completion on the Wilberforce radium property and shipments of ore from Great Bear Lake the public is becoming conscious of Canada's potential radium resources.

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Night Hawk Peninsula Mines, at Night Hawk Lake in the Porcupine area, is considering resuming operations and financial arrangements are now being negotiated.

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Galatea Gold Mines in Duparquet township, Quebec, adjacent to the Beattie property, reports encountering free gold and tellurides in its exploration work. On a zone 50 ft. to 150 ft. in width low values similar to the Beattie are reported. Trenching in a contact with quartz porphyry showed a vein 8 ft. to 11 ft. in width, grab samples from which assayed $8.20 per ton in gold.

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Acme Gas and Oil Company reports the sale of oil and gas in December totalling $29,410, including the premium received on United States funds. Gas sales remained low during the month, owing to the mild weather.

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A. Larin, of Berlin, Germany, has been in Toronto in recent weeks negotiating for lead, zinc and copper concentrates for shipment to Belgium and Germany. Mr. Larin has shown great interest in Canada's mineral resources, but little information is available as to what progress he has made in negotiating for Canadian production.

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The Erie Gas Co. has three producing wells in the southwestern Ontario gas field. The potential flow is 435,000 cu. ft. of gas daily, of which approximately 100,000 cu. ft. is being sold to the Dominion Natural Gas Co. at 30 cents per thousand cu. ft.

DOME MINES EARNS $1,690,824 IN 1931 RECOVERY LOWER

General Manager Returns From South Africa With News

Accompanying the dividend cheques of Dome Mines was a brief statement of production and earnings for 1931, which showed a total income for the year of $1,690,824 before depreciation and depletion, or equivalent to $1.78 on the shares outstanding. This figure is not comparable with earnings in 1930, as the new mill was in operation only about two months, having been rebuilt following a fire in the year previous.

The tonnage of ore treated amounted to 542,600, as high as the best years recorded in the company's history, but the grade, averaging $6.43 per ton, was somewhat lower.

General Manager Home

H. P. de Pencier, vice-president and general manager of Dome Mines, has just returned from an extensive visit to South Africa where he has been inspecting the company's interests on the Rand.

Last June Mr. de Pencier returned from a trip to South Africa at which time the company's interests in the East Geduld Mine were reported. It has never been officially stated to just what extent Dome invested in this enterprise, but reliable information would suggest that its commitment was approximately $1,000,000 for 90,000 shares. This company went into production last July and has been steadily stepping up its output. The mill has a rated capacity of 60,000 tons of ore per month and in December last it treated 51,000 tons, Mr. de Pencier told The Financial Post this week. There is about 30,000 oz. of gold locked up or absorbed in the mill.

Profits by East Geduld from December's curtailed production were £15,600. The outstanding capitalization of East Geduld now stands at 1,560,000 shares of £1 par value. Mr. de Pencier denies that Dome has acquired any other interests in South Africa. The Grootvlei adjoining East Geduld is not ready for development for years, so Dome is not yet interested in this property.

Dome Mines has also optioned a group of claims in Louvicourt Township, Northwestern Quebec, on which it proposes doing some exploration work.

The following is a tabulation of production and earning for the last quarter and for the 12 months of 1931 as compared with previous periods.

Production	3 mo. end. Dec. 31	3 mo. end. Sept. 30
Tons milled	136,250	136,850
Total recovery, $	854,049	889,145
Recovery per ton, $	6.27	6.50
Tons daily	1,480	1,486
	12 mo. 1931	12 mo. 1930
Tons milled	542,600	67,600
Total recovery, $	3,486,506	774,943
Recovery per ton, $	6.43	5.89
Tons daily (approx.)	1,500	...
Income	12 mo. 1931 $	12 mo. 1930 $
Total recovery	3,486,506	775,266
Expenses, etc.	1,889,201	926,378
Taxes	180,921	55,112
Operating profit	1,416,384	*206,222
Other income	274,440	324,117
Total income†	1,690,824	117,895
Quarterly Reports:	Quarter ended Dec. 31 1931 $	Sept. 30 1931 $
Total recovery	831,638	889,145
Expenses, etc.	459,187	481,739
Taxes	72,295	45,950
Operating profit	300,156	361,456
Other income	84,079	62,642
Total income†	384,235	424,098

*Loss. †Before deprec. and depletion.

TURNER VALLEY CO. CANCELS OIL LEASE

Report Shows Company Has $26,617 in Liquid Assets

In a statement forwarded to shareholders of Turner Valley Oil Co. it is shown that the company has current assets totalling $26,617 and no liabilities. The principal current asset is $25,000 in Dominion of Canada bonds.

During the fiscal year ended September 30, the expenses of the company totaled $1,559 as compared with a revenue of $1,252.

The company has cancelled part of the lease given to the Freehold Oil Corp. owing to that company abandoning No. 1 well located in the west half of section 3, township 21, range 3 west of the 5th meridian.

Officials of Turner Valley Oil do not anticipate the disposal of additional leases until such time as the gas conservation policy of the Alberta government is settled.

Index of Mining Stocks

The weighted index number of 20 mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 60.6 for the week ending January 14, as compared with 59.3 for the previous week.

Eleven gold stocks rose from 60.0 to 60.9, four gold-copper stocks from 60.8 to 63.7, and five silver and miscellaneous stocks from 26.7 to 26.9.

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